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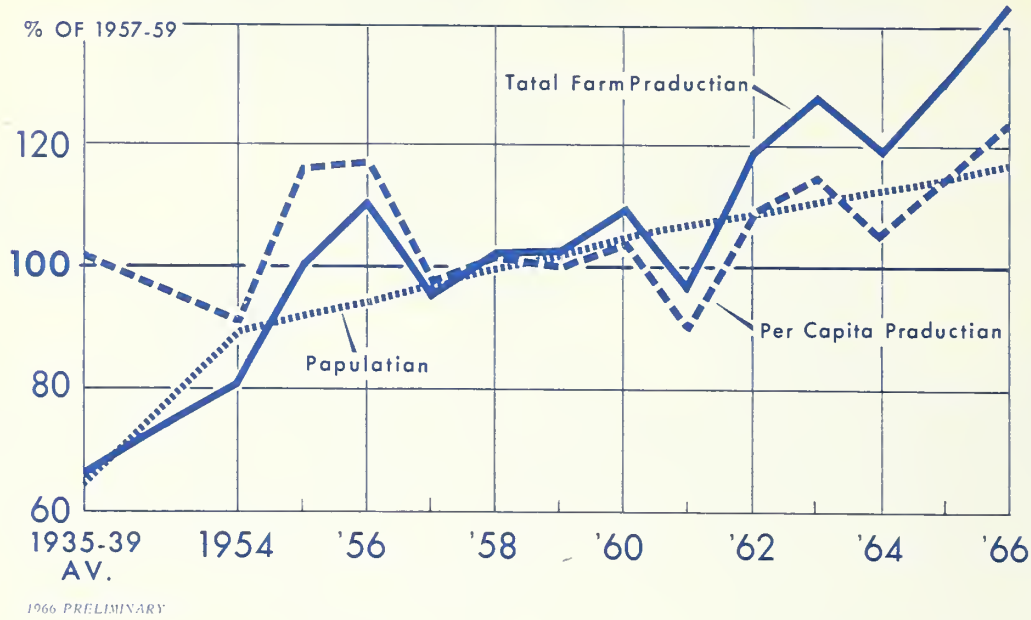
THE WESTERN HEMISPHERE AGRICULTURAL SITUATION

Review of 1966 and Outlook for 1967

U.S. DEPARTMENT OF AGRICULTURE
ECONOMIC RESEARCH SERVICE
Washington, D.C.

CANADA: AGRICULTURAL PRODUCTION AND POPULATION GROWTH



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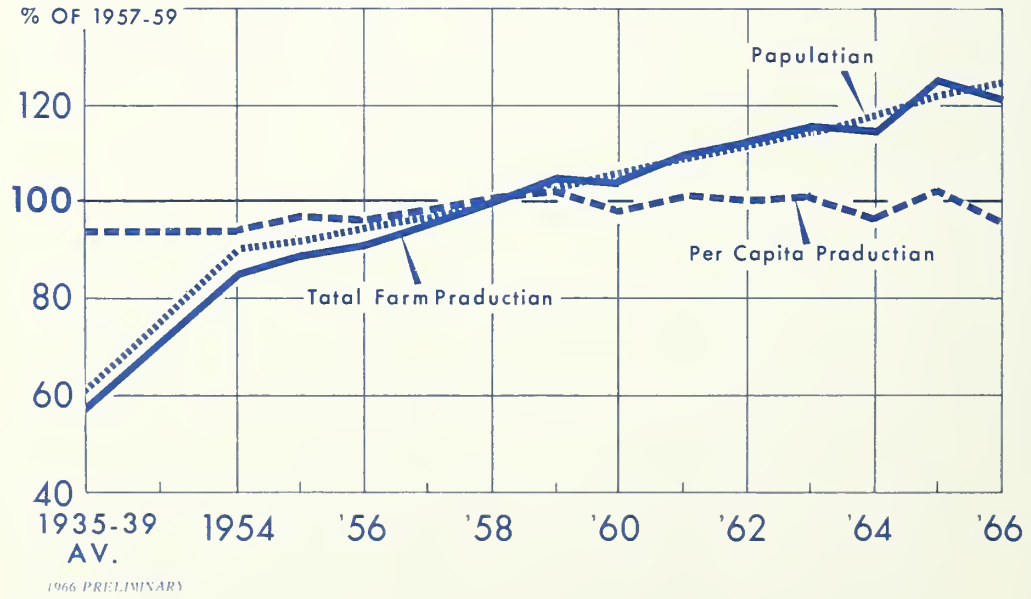
LATIN AMERICA: AGRICULTURAL PRODUCTION AND POPULATION GROWTH



U S DEPARTMENT OF AGRICULTURE

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FOREWORD

This report is an annual publication of the U.S. Department of Agriculture in the ERS-Foreign series. It is intended to provide an analytical basis for short-run policy decisions, as well as to inform an interested public about current agricultural developments in the Western Hemisphere. It is one of four regional supplements to The World Agricultural Situation: Review of 1966 and Outlook for 1967, Foreign Agricultural Economic Report No. 33. Other regional reports are being published for Africa and West Asia; The Far East, Mainland China, and Oceania; and Europe and the Soviet Union.

This report omits the agricultural situation for the United States, which was included in previous reports in the series. However, data on the value of U.S. agricultural trade with other Western Hemisphere countries are included. The U.S. agricultural situation is covered in other outlook and situation reports of the Economic Research Service.

Production statistics for Latin America are revised estimates for 1965 and preliminary estimates for 1966 from Indices of Agricultural Production for the 20 Latin American Countries, ERS-Foreign 44 (Revised January 1967), with some modifications for later information. Estimates of gross national product and commodity trade of the Western Hemisphere countries for 1966 are preliminary. Data may vary slightly from that in the World Agricultural Situation because of more recent information.

Howard L. Hall, Assistant Branch Chief and Leader, Situation and Outlook Section, provided direction and coordination of this report. Others participating included Gae A. Bennett, Wilbur F. Buck, Mary S. Coyner, Richard M. Kennedy, John D. McAlpine, Rena E. Perley, Samuel O. Ruff, and Alyce Woodard. Credit is also due U.S. Agricultural Attaches for Western Hemisphere countries for their preparation of annual situation and various commodity reports which were used in the preparation of this publication.

Charles R. Davenport, Chief
Western Hemisphere Branch
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Washington, D.C. May 1967

WESTERN HEMISPHERE AGRICULTURAL SITUATION

SUMMARY

Economic expansion for countries of the Western Hemisphere continued in 1966 with an indication of some weakening in growth trends achieved during the past 2 years.[1] The Canadian economic growth rate stabilized near the 1965 level of 6 percent but the average growth rate for the 23 Latin American countries declined by about 40 percent.[2] A continuing strong demand for goods and services maintained strong pressure upon foreign exchange and monetary reserves. Inflation and restricted availability of capital continued as major limitations upon Latin American development.

Monetary and budget controls and currency devaluations contributed to a slowdown in inflation in some South American countries. Devaluation also strengthened the trade position of some countries by improving their competitive position for exports. Trade was also stimulated by a rise in investment in agriculture and industry in the Central American Common Market and by a significant expansion in mineral production in South America. Overall Hemisphere export earnings, estimated at 7 percent above the previous year, were supplemented by a continued expansion in the tourist trade in the Caribbean.

The index of agricultural output for 1966 established a new record in Canada but declined an estimated 3 percent in Latin America. Hemisphere production of grains, oilseeds, bananas, and meat exceeded the previous year but there were significant declines in beans, potatoes, yuca, sugar, coffee, cocoa beans, cotton, and tobacco. Latin American food output dropped about 1 percent with sharper reductions in the Caribbean and Brazil.

The value of agricultural trade of Hemisphere countries was up in 1966, with an estimated increase of 6 percent for exports and 3 percent for imports. The volume of exports of grains, oilseeds, bananas, coffee, and cotton were above the previous year but were down for sugar, apples, sisal and henequen, and tobacco. Hemisphere imports of wheat maintained a strong uptrend with some increase in most other principal food import commodities, except for vegetable oils. U.S. agricultural exports to Hemisphere countries resumed the uptrend after a year earlier decline with a continued rise in imports. Some further increase in U.S. agricultural trade is anticipated in 1967.

ECONOMIC SITUATION

The economies of most Western Hemisphere countries continued to expand in 1966. There was some weakening of recent strong growth trends, however, due to recurring balance-of-payments and monetary problems and some decline in agricultural output. Canadian gross national product in real terms was maintained near the 1965 rate of 6 percent.

[1] Western Hemisphere as used in this report includes all countries and territories except the United States and possessions.

[2] Latin America as used in this report includes all countries and territories of the Hemisphere except Canada and the United States and possessions.

In contrast, the overall rise for the 23 Latin American countries declined from nearly 6 percent for 1965 to an estimated 3.4 percent in 1966. Economic readjustments, already in progress, may continue to restrict growth in many countries during 1967 although some recovery is expected.

The overall rise in 1966 per capita gross national product was estimated at 4.2 percent for Canada and 0.3 for the 23 Latin American countries. Expansion in agriculture and industry maintained per capita growth rates above the 2.5 percent Alliance for Progress target in Mexico and Central America. The Alliance goal was also exceeded in Bolivia, Chile, and Peru due, in part, to a significant expansion in mineral production. Per capita gross national product declined in Argentina, Brazil, Cuba, the Dominican Republic, Haiti, and Uruguay.

With continuing strong demand for goods and services, problems of inflation were of growing concern in several countries including Canada, Colombia, and Ecuador. Monetary and budget restrictions and, in some instances, currency devaluations contributed to stabilization and a reduction in the inflationary rise in Argentina, Brazil, Chile, Peru, and Uruguay. However, the annual rate of increase in the cost-of-living index remained high in these countries, ranging from an estimated 9 percent in Peru to nearly 50 percent in Uruguay.

Prices for some Hemisphere export commodities strengthened early in 1966 but weakened later in the year, including sugar, beef, bananas, hides and skins, and cocoa beans. The United Nations' index of export prices for Canada had increased nearly 3 percent by mid-1966; the index of import prices by almost 2 percent. The export index for Latin America was down about 1 percent, while the import index was up 2 percent.

Strong foreign demand continued for most Western Hemisphere products during 1966. Total value of 1966 exports was estimated at 7 percent above 1965. Higher increases were estimated for Canada, Mexico, Costa Rica, Guatemala, Brazil and Chile. Exports were estimated below 1965 for Nicaragua, Colombia, Paraguay and Uruguay. Imports of Hemisphere countries increased about 6 percent, with higher gains for Canada, the Caribbean and Central America more than offsetting a 10 percent decline estimated for South American countries.

Despite some rise in the value of exports, Hemisphere gold and foreign exchange reserves declined by about 10 percent through the third quarter of 1966. Larger reductions occurred in Brazil, Canada, Colombia, Costa Rica, the Dominican Republic, Haiti, Peru, and Venezuela. Reserves increased more than 10 percent in Argentina, Bolivia, Ecuador, Honduras, Jamaica, and Paraguay.

AGRICULTURAL PRODUCTION

Total agricultural production for 1966 in the Western Hemisphere countries declined from the record output achieved in 1965. Canadian agriculture responded to favorable prices and growing conditions and total output exceeded the 1965 record by 10 percent. Adverse weather contributed to the decline for Latin American output, particularly in Cuba and Brazil. The index of Latin American production declined 3 percent from the record 126 registered the previous year, the sharp decrease in Brazilian coffee output accounting for a large part of the decline (1957-59 = 100). Hemisphere output of grains, oilseeds, bananas, meat, and milk continued to rise in 1966 with a significant drop in beans, potatoes, yuca, sugar, deciduous fruit, coffee, cocoa beans, cotton and tobacco.

Wheat production in 1966 was estimated at near 33 million tons, 18 percent above the previous year.[3] This reflected a gain of 7 percent in the harvested area. Canadian production exceeded the previous year by 30 percent and the Argentine harvest by 8 percent. Lower support prices contributed to a 22 percent decline in Mexican production. Adverse weather contributed to reductions in 1966 harvests in Chile and Peru.

[3] Metric tons are used throughout this report unless otherwise specified.

Rice production declined 3 percent in 1966, but production of 9.9 million tons was well above the 1960-64 average. Output in Brazil, the principal producer, was off 2 percent with reductions in area and yields.

Adverse weather contributed to lower output in the Caribbean, Argentina, Colombia, and Venezuela.

Hemisphere production of other grains was at a high level in 1966. Corn production of 32.1 million tons exceeded the 1965 record nearly 4 percent. Record crops were harvested in Mexico and Central America and a 37 percent increase for Argentina more than offset a sharp decline in Brazilian production. Barley output recovered in Canada and Argentina and total Hemisphere production was up. With record harvests in Mexico and Argentina, the production of grain sorghums reached 3.4 million tons, nearly double the previous year.

A slight reduction in cottonseed output was more than offset by a continued rise in production of other edible oilseeds, including peanuts, sunflowerseed, soybeans and rapeseed. Production of principal edible oilseeds, including sesame, was up 7 percent to an estimated 7.5 million tons in 1966. There were record crops in Canada, Mexico, Brazil, and Chile. Flaxseed production for Canada, Argentina and Uruguay declined 12 percent, but a record tung nut crop was harvested in 1966.

Latin American production of beans, potatoes and sweetpotatoes, and yuca declined significantly, largely due to adverse weather. Sharply lowered Brazilian output largely accounted for the drop for beans and yuca. Wet weather reduced the 1966 Argentine potato crop by one-third and the Andean crops, particularly in Bolivia and Peru, were damaged by cold weather. Drought resulted in a sharp drop in Caribbean production of sweetpotatoes.

Banana production increased 9 percent to 13.3 million tons, reflecting a recovery in Ecuador and a continued gain in Mexico and Central America. Citrus production was estimated up 14 percent with a significant expansion in the Argentine crop. Canadian and Argentine apple production declined sharply and there was a significant reduction in Hemisphere production of other deciduous fruits.

Lower prices and adverse weather reduced production of other important export crops. Low prices restricted the harvested area for sugarcane in most producing countries. Drought resulted in a sharp drop in Caribbean sugar output. Argentina and Brazil imposed production quotas to restrict surplus and, despite higher production in other countries, sugar output declined 13 percent in 1966. Brazilian coffee production was 44 percent below the previous year with some reduction in Mexican and Caribbean crops. Cold weather in the harvest season reduced cocoa bean production in Brazil, the principal Hemisphere producer. Reduced cotton output in Argentina, Mexico, and Peru largely accounted for a 3 percent drop in 1966 production. Tobacco production continued at near the 1965 level: lower Latin American output was offset by a larger Canadian crop.

Hemisphere output of beef and veal and pork increased. Output in 1966 was estimated to be up nearly 3 percent and the production of milk and wool continued a slight rise. High domestic prices maintained Canadian cattle and hog slaughter near the record levels of the previous year. Favorable export prices also encouraged some recovery in Argentina and meat production was well above the 1960-64 average.

AGRICULTURAL TRADE

Agricultural trade of the Western Hemisphere countries increased in 1966. Preliminary estimates forecast overall exports for Canada and the 22 Latin American countries, excluding Cuba, about 6 percent above the 1965 level of $7 billion. Agricultural imports increased an estimated 3 percent to nearly $2.2 billion. U.S. agricultural imports from the region increased from $1.9 billion in 1965 to $2.0 billion in 1966. For the same period, U.S. agricultural exports to the region rose from a 1965 level of $1.1 billion to $1.2 billion.

Agricultural exports for 1966 was stimulated by large supplies of the principal export commodities, and import increases reflected a decline in per capita food production in the principal Latin American importing countries. The competitive trade position of some Latin American countries, including Argentina and Brazil, was strengthened by currency devaluation and liberalization of export policies. Although trade between Latin American countries remains relatively low, it continued to expand significantly under special concessions granted members of the Central American Common Market and the Latin American Free Trade Association.

Major gains in export volume for 1966 were in grains, bananas, coffee, and cotton with a moderate increase estimated for cocoa beans, meat, and wool. Exports of sugar, apples, tobacco, soybean oil, and sisal and henequen declined. Hemisphere imports of wheat continued a significant rise and imports of most other important food commodities except vegetable oils expanded somewhat.

Hemisphere wheat exports for 1966 were maintained near the 1965 record of 20 million tons; record Canadian shipments offset declines in exports of Mexico and Argentina. Total imports of 5.7 million tons reflected a large gain over 1965 for Brazil and Central America and continuing expansion for Chile, Colombia, and Venezuela.

Hemisphere trade in other grains maintained a rising trend in 1966. Large carryover stocks permitted Brazil to continue expansion of rice exports. Exports by Ecuador and Uruguay also exceeded 1965 and Hemisphere imports increased by about 2 percent. Corn shipments expanded 13 percent in 1966, reflecting the rise in Argentina. Argentine exports of grain sorghums were estimated at 1 million tons, compared with 167,000 tons the previous year. Hemisphere corn imports were 10 percent above 1965 but below the record 1.2 million tons achieved for 1964.

Hemisphere exports of soybeans increased but cottonseed and flaxseed declined in 1966 with some expansion in exports of Canadian rapeseed. Exports of sunflowerseed, peanuts, and tung oil increased; linseed oil shipments dropped somewhat. Hemisphere imports of edible oils continued to decline because of expanding oilseed production.

A sharp drop in Cuban sugar exports was partially offset by an increase from the other exporting countries, principally in response to larger allocations in the U.S. market. Banana exports maintained a strong uptrend with a rise of 9 percent, but shipments of fresh apples declined sharply and there was a slight rise in imports. Coffee recovered, reflecting a slight rise in quotas established under the International Coffee Agreement and an increase in trade with nonquota countries. Large carryover stocks permitted Brazil to continue expansion of exports of cocoa beans. Hemisphere cotton exports continued upward, largely reflecting gains by Mexico, despite some decline in world price. Hemisphere cotton imports increased 16 percent. Exports of sisal and henequen were below the high levels of the previous year with a continued decline in unmanufactured tobacco.

Hemisphere red meat exports increased 6 percent in 1966 with a slight rise in exports of cattle and wool. The Canadians meat trade continued a slight rise and a significant Argentine recovery more than compensated for a decline in exports from Brazil and Uruguay. Argentine wool exports continued a strong rise in 1966 but a decline in Uruguay resulted from producer dissatisfaction with prices. Increased cattle slaughter resulted in larger exports of hides and skins in 1966.

The outlook is for some continued rise in agricultural trade in Western Hemisphere countries during 1967. Large supplies are expected to encourage some expansion in exports of grains, sugar, bananas, coffee, and cotton. Some rise is also anticipated for imports of grains and grain products, fats and oils, fruits and vegetables, vegetable fibers, tobacco, and dairy products. U.S. agricultural exports to those countries should increase but will continue to face growing competition, particularly in Latin America.

ITUATION BY COUNTRY

CANADA

Canadian economic activity continued its sixth year of uninterrupted growth during 1966. The gross national product, in current prices, rose nearly 9 percent to an estimated $52.5 billion. When adjusted for rising price trends, growth approximated 6 percent with per capita income (in 1965 prices) estimated at $2,559.

The Canadian economy reached new heights in 1966 as the result of a combination of many favorable factors. Chief among these were near capacity use of plant and equipment, a high level of employment with increased wages and heavy consumer spending, plus record agricultural production, especially of grains for export. A marked increase in exports followed a moderate 1965 rise. As the year progressed, durable consumer goods sales slowed but the slack was taken up by a substantial gain in spending for consumer nondurables and services. The 1966 index of industrial production reached 271.4 (1949 = 100), indicating a 6.5 percent rise above the previous year.

The labor force registered another 4 percent gain in 1966 to a total of 7.12 million while the seasonally adjusted rate of unemployment for the first 9 months was calculated at 4.0 percent, compared to 4.2 percent for the corresponding 1965 period. Inflationary tendencies were indicated by the January-September consumer price index, which increased 4.3 percent compared with 2.6 percent in 1965. Gains in wages were reflected in higher prices for consumer goods and services. Automobile and home sales dropped off as the result of a tight credit situation and high interest rates.

Canada's population neared the 20 million mark in 1966 (19.95 million), exhibiting a growth rate of 1.8 percent. Per capita daily food intake, one of the world's highest, averaged 3,100 calories.

The value of Canadian exports for 1966 was forecast 9 percent above 1965, reflecting a rise in shipments--particularly of grains and forest products. Imports increased 11 percent and a small trade deficit was indicated for 1966. With the trade deficit and a rise from other net outflows, estimated gold and foreign exchange holdings declined from $3 billion to $2.7 billion during the period January-September 1966. The 1967 oulook for Canadian exports continues favorable but the rate of expansion may weaken. However, investment, trade, and consumer demand are expected to maintain growth of the Candian economy near the current rate during 1967.

Canadian farm income climbed to a record $3.7 billion in 1966, registering a second increase of 5 percent within the past 2 years. The primary reason for the rise was the 23 million ton (844 million bushel) wheat crop. Tobacco prices received by farmers during 1966 were at high levels. Cattle marketings were near 1965 levels but prices were higher. Hog sales for 1966 were expected to provide returns comparable to those of the previous year. Farm operating costs continued upward in 1966. Rising land values and labor costs stimulated purchases of machinery and the use of chemical fertilizers increased substantially. Despite rising costs of operation, net farm income for 1966 was expected to reach $1.85 billion, or nearly $300 million more than for 1965.

Nine new provincial agricultural marketing boards were organized in Canada during 1966 to regulate production and marketing of such products as poultry and eggs, potatoes, and onions. To stimulate milk production, the Government established a system of direct payments to raise the producer returns on milk from $3.05 to $3.70 per hundredweight. The Canadian Agricultural Stabilization Board continued its mandatory support of nine commodities: Butter, cheddar cheese, eggs, hogs, cattle and sheep; and wheat, oats and barley when grown outside the jurisdiction of the Canadian Wheat Board. In 1966, the crop insurance program was enlarged to provide coverage for fruit.

Canadian agriculture responded to strong demand and very favorable growing conditions in 1966. The index of farm production was estimated at 144, a rise of 10 percent total and over 8 percent per capita (1957-59 = 100).

Crop production reflected an area of 26.8 million hectares for principal field crops, nearly 1.2 million more hectares than were planted in 1965. Production gains were realized for all major field crops except oats, rye, flaxseed and sugarbeets, and earlier production records were broken for wheat, barley, corn for grain, soybeans, rapeseed, mustard seed and tame hay.

Together, wheat and rye occupied 12.3 million hectares, or nearly half of the area taken up by principal field crops in 1966. The wheat area increased 7 percent and the production of 23 million tons exceeded 1965 by 30 percent. Rye production was down about 9 percent from the 1965 harvest on 15 percent less land. Virtually all of the wheat grown was spring wheat; the Prairie Provinces accounted for 98 percent of the total. Wheat quality was high with 92 percent falling in grades 1 to 3, Northern.

The 7.59 million tons of wheat stored in licensed grain elevators on November 16, 1966, was about 3 percent less than a year earlier but prairie farm holdings were at record levels.

The Canadian feed grain harvest totaled 15.4 million tons and was about 10 percent larger than production for the preceding year. Acreage planted to oats was reduced about 5 percent and production was down 6.5 percent from 1965. The barley area, however, increased 20 percent to 2.9 million hectares, with a harvest of 7 million tons, 36 percent above 1965. The area for corn grain increased by 2.5 percent with production 5.8 percent above the previous year's harvest. Canadian feed grain supplies were estimated about 5 percent above 1965, and are expected to discourage acreage expansion in 1967.

Tame hay production of 23.3 million tons exceeded 1965 by more than 20 percent to establish a new record. Corn for forage also benefitted from favorable weather, yielding 9 percent more harvest (5.1 million tons) on a 5 percent increase in area. Forage supplies for 1966 were ample. Supplies of mill feeds and concentrates are expected to be plentiful in 1967. The area devoted to Canadian oilseed crops in 1966 (1.5 million hectares) declined nearly 8 percent from 1965. The principal reduction was in flaxseed with both the area (0.84 million hectares) and production (599,800 tons) down about 20 percent. Rapeseed acreage, near that for 1965, responded to favorable growing conditions with a 431,000 ton crop, about 13 percent above the previous harvest. The soybean crop gained about 8 percent (235,577 tons) over 1965 on only slightly larger seedings. Total Canadian oilseed supplies continue near the 1965 levels with a possible lower demand for flaxseed as use of synthetics increases in the paint industry.

Canadian potato production for 1966 was 2.6 million tons--23 percent more than the volume produced in 1965. Sugarbeets continued to decline in 1966 and increased plantings of dry beans and peas were largely offset by lower yields. Canadian tobacco growers responded to higher prices with a one-third expansion in area. Despite some freeze damage, the harvest was 102,000 tons, compared with 77,000 tons in 1965.

Livestock production responded to favorable prices and record numbers of cattle and

hogs were marketed in early 1966. At midyear, cattle numbers had declined 3.5 percent from a year earlier and marketings decreased. Total 1966 output of livestock products was near the record 1965 level.

The decline in total slaughter of cattle and sheep was offset by heavier slaughter weights. Output of red meat for 1966 was estimated near the 1965 level at 1.28 million tons. A 2 percent rise in production of beef offset declines in veal, pork and mutton.

The strong demand for red meat encouraged expansion in the poultry industry. Production of poultry meat was 349,270 tons, 10 percent above the 1965 record. Broilers and turkeys shared in production gains and total per capita consumption of all poultry meat was estimated to have reached 39 pounds, 3 pounds more than in 1965.

The number of dairy cattle continued to decline because of relatively high operating costs in 1966. Reduced numbers were partly offset by an increase in milk per cow. Total milk production was near the 1965 level of 8.3 million tons. Fluid milk sales and production of cheddar cheese continued to increase with a decline in output of other dairy products, including butter. Higher prices encouraged some recovery in egg marketing late in 1966 but total 1966 production of 425 million dozen compared with 433 million the previous year.

Canadian demand for livestock products remains strong. With larger feed supplies available, it is expected that production of livestock products will be maintained near 1966 levels during the coming year despite some reduction in cattle numbers. Meat production should rise slightly with a continued recovery in hog slaughter and a buildup in the poultry industry.

Foreign trade continued to expand in 1966. Total value of exports was estimated at $8.9 billion compared with $8.2 billion in 1965. An increase in imports from $8 billion in 1965 to $8.9 billion in 1966 resulted in a small trade deficit, the first since 1960.

Strong world demand encouraged Canadian wheat exports, estimated at a near record 15 million tons for 1966 compared with 12.7 million tons in 1965. Shipments of rye and oats also were larger with some decline in other agricultural commodities, including barley, cattle and meat. Total agricultural exports were valued at $1.6 billion, compared with $1.5 billion the previous year. Agricultural imports increased in value from $940 million in 1965 to about $1 billion in 1966, reflecting a significant rise in such commodities as corn, soybeans, fruit and cotton.

The outlook for Canadian exports in 1967 is favorable. Wheat supplies available for export are at a record level and of good quality. Large supplies of barley also are available. Exports of feed grains and tobacco may rise; but a decline is possible in oilseeds, cattle, meat and dairy products.

Canada will continue to provide an important U.S. market and its agricultural imports are expected to rise in 1967. High income levels will maintain a growing import demand for many agricultural products, particularly vegetable oils, fruits and vegetables. With larger feed grain supplies, however, corn imports may not exceed the 500,000 tons for 1966 and the USSR will continue as a competitor of the United States in the Canadian cotton market. (Wilbur F. Buck)

LATIN AMERICA

MEXICO

Expansion of agriculture and industry maintained a high rate of economic growth in Mexico during 1966. The rise in real gross national product was estimated near 6.5 percent. Per capita product (at 1965 prices) approximated $468, a rise of 3.1 percent from 1965. The outlook for 1967 appears favorable and it is expected that economic growth may be maintained at current or higher levels.

Industrial production continued to grow at a rapid rate in 1966. Strong demand encouraged a significant recovery in automobiles, construction materials, and iron and steel. The rate of growth in chemicals and petroleum was below 1965 with some recovery in minerals, particularly lead. Confidence in the economy was reflected in investments which expanded to a record high in 1966.

Exports increased and, with imports maintained near the 1965 level, the annual trade deficit was smaller in 1966. The tourist trade continued to expand. Despite some improvement, gold and foreign exchange reserves declined from $534 million to $486 million from January to September 1966.

Broad agricultural policy goals were outlined by the Administration in September 1966. These goals include a sharp stepup in investment in agriculture and the addition of 850,000 hectares of irrigated land by 1970. The new Administration also recognized the need to further emphasize development of the medium-sized commercial farm to improve relatively low rural incomes and to provide food for Mexico's growing population, raw materials for industry, and the exports needed to support development.

The prospect of a continuing rise in grain exports requiring subsidy led the Government to discontinue price supports for corn in irrigated areas and to sharply reduce the support levels for wheat in the irrigated areas of northwest Mexico. A National Livestock Council was created to advise the Government on improvements needed to expand production for industry and export. A rebate, amounting to 97 percent of the export tax (1.6 cents per pound) was granted on the 1966/67 cotton crop.

Mexican agriculture was influenced by extended drought which restricted irrigation water supplies and adversely affected pastures and crop growth early in 1966. Conditions improved as the drought was broken by above-normal rainfall after midyear. The index of agricultural production was estimated at 141, approximating the record 1965 output (1957-59 = 100). Food production, however, increased 5.0 percent exceeding the current 3.4 percent rate of growth for Mexico's population of 44.2 million.

Crop production declined slightly in 1966 with per capita output over 3 percent below 1965. Revised price policies encouraged a significant shift of irrigated area from corn and wheat to sorghum grains and oilseeds. Adverse weather affected yields of some fruits, vegetables and fiber crops.

Total grain production increased despite some diversion of irrigated land to other crops. The wheat area dropped 24 percent and production 22 percent with the 1966 crop estimated near 1.6 million tons. Corn production increased 9 percent to an estimated 8.2 million tons. Rice production of 335,000 tons was slightly above the 1965 record and the sorghum grain crop increased by 54 percent to an estimated 1 million tons.

Growing conditions were favorable for pulses, vegetables and fruits. The harvest of beans increased 5 percent to a record 945,000 tons--due, in part, to a shift from chickpeas. Potato production continued to rise and there was a significant increase in production of bananas, peppers, strawberries and grapes. Reportedly, tomato and onion output was down.

Cottonseed output was estimated at 914,000 tons, a decline of 20 percent from the 1965 record. With expansion in area, soybean production doubled (120,000 tons) and safflower increased from 85,000 tons to 246,000 tons. With a significant increase for sesame seed, production of principal oilseeds increased 1.5 percent to about 1.5 million tons for 1966. Production of vegetable oils for 1966 was estimated at 406,000 tons compared with 352,000 tons in 1965.

Despite unfavorable weather near harvest, the 1966 sugarcane harvest was a record 23.2 million tons, an increase of 4 percent. Reduction in harvested area and yields, particularly in eastern areas affected by hurricanes, was reflected in a smaller cotton crop with production down 20 percent to 457,000 tons. Coffee production declined about 3 percent

to 174,000 tons as Mexico continued efforts to stabilize coffee production near levels consistent with domestic needs and anticipated export quotas.

Livestock production was influenced by the drought in early 1966 but benefited from later improvement in pasture and forage. Net output of livestock products (including cattle exports) for 1966 was estimated 5 percent above 1965 with a per capita increase of about 1 percent. Livestock numbers continued a slight uptrend in 1966 despite a moderate rise in slaughter and exports. Despite some expansion in livestock, rising domestic prices for meat resulted in concern regarding the industry's ability to supply a growing demand.

Beef and pork production was up about 2 percent in 1966 to 510,000 and 218,000 tons, respectively, with a small rise estimated for mutton and goat meat. Feeder cattle for export increased sharply to 770,000 head and growing demand maintained a significant growth in poultry production. Rising production costs limited expansion of the dairy industry and milk production was estimated up about 1 percent to 4.4 million tons.

Foreign trade for 1966 reflected Mexican efforts to expand exports and to limit imports to the more essential products. Larger agricultural exports were supplemented by a significant rise in manufactured products. Total exports were forecast near $1.3 billion, compared with $1.1 billion the previous year. Imports were at about the 1965 level of $1.6 billion. Trade in 1967 may be maintained near the 1966 level--due, in part, to some anticipated decline in agricultural exports which make up about 50 percent of total export earnings.

Mexico's principal exports--cotton, coffee and sugar--continued to expand. A lower world price encouraged cotton sales and exports increased 32 percent to 463,000 tons in 1966. Coffee exports were estimated up 22 percent to 95,000 tons with a significant expansion in new markets. Sugar benefited from an increase in prorations in the U.S. sugar market, with exports up 4 percent to 550,000 tons.

Grain exports declined; wheat was down drastically from the 1965 record of 685,000 tons to 50,000 tons in 1966. The corn trade continued at a high level with exports of 1 million tons, down only slightly from the 1965 record. Bean exports were 80,000 tons compared with 16,000 tons in 1965, and there was a significant rise in oilseeds, particularly peanuts and sesame seed. Exports of fresh fruits and vegetables were maintained at high levels, with increasing shipments to the United States.

Exports of beef and veal, mainly to the United States, were estimated up one-fifth to 34,000 tons but well under the 1966 quota established by the U.S.-Mexican Meat Agreement. Mexico increased its quotas for cattle exports for the year beginning September 1965 and the total number was estimated to exceed the 557,440 head shipped in 1965.

Higher production and increased restrictions resulted in a decline in imports of some agricultural commodities in 1966. Imports of grains--particulary rice, sorghum grains and barley--were reduced. Vegetable oil imports also declined sharply because of increased oilseed production. Imports of beef and dairy cattle for breeding continued strong with numbers near the 1965 level but imports were lower for hides and skins, and dairy products.

The United States provides a market for about 70 percent of Mexican exports and is the major supplier of its agricultural imports. U.S. agricultural imports from Mexico increased from $276 million in 1965 to $328 million in 1966 due to larger shipments, particularly of sugar. Smaller U.S. shipments of grain, oilseeds, and livestock products were mainly responsible for the decline in agricultural exports to Mexico from $87 million in 1965 to $73 million in 1966.

Cotton exports for 1967 are expected to decline sharply with some drop in cattle exports. No significant change is anticipated for exports of coffee and sugar. Mexican agricultural imports will probably be maintained near the 1966 level. (Mary S. Coyner)

CARIBBEAN

CUBA

The Cuban economy was affected by a sharp drop in sugar output and severe hurricane damage in 1966. The gross national product, estimated at nearly $2.8 billion or $365 per capita, was nearly 7 percent below the improved 1965 level. Some improvement is anticipated in 1967 but the level of economic activity will remain well below that of 1958 to 1960.

Cuba remained heavily dependent upon the communist countries, particularly the USSR, to provide needed supplies for industry and consumption in exchange for sugar. The Cuban trade deficit with the USSR continued to rise because of lower sugar output. Recent reports indicate a possible shift in emphasis from industrial to agricultural development. Special emphasis will be given to modernization and expansion of the Cuban sugar industry to achieve a production target of 10 million tons by 1970.

Agricultural production for 1966 was affected by early drought and rains and flooding from the tropical storm "Inez" later in the year. The index of net agricultural production was estimated at 75 compared to 89 for 1965 (1957-59 = 100). Food production declined 17 percent to an index of 76.

Drought resulted in sharp reductions in 1966 harvests of rice, potatoes and sweetpotatoes. Production of beans and peanuts also declined but corn production benefited from improved moisture conditions later in the year. Over-cutting from the 1965 crop and dry weather reduced the 1966 sugarcane harvest by about one-fourth to an estimated 36 million tons. Sugar output was only 4.5 million tons, compared with 6 million tons for 1965. Coffee production of 33,000 tons was 18 percent larger than in 1965; cocoa beans and tobacco were unchanged.

Output of livestock products declined for the second successive year with 1966 production estimated about 4 percent below the 1965 level. Meat output declined from 195,000 tons to 188,000 tons, milk production was off about 3 percent to 560,000 tons.

Foreign trade continues to center on export availability of Cuban sugar. Sugar exports were significantly below the 5.3 million tons shipped from the large 1965 crop. An estimated 80 percent of Cuban sugar moves to the communist countries in exchange for industrial supplies, manufactured goods, and food commodities. However, Canada, Japan, France, and the United Kingdom are important free world markets.

In 1966, Mainland China reduced its agreed quota for sugar under its bilateral agreement with Cuba and reduced her shipments of rice to about one-half the former level. Russia continued to supply a major share of Cuba's wheat imports through her agreement with Canada.

Some improvement in Cuba's trade situation is anticipated in 1967. The new sugar harvest benefited from improved moisture late in 1966. The crop is currently estimated near 6 million tons. However, cutting was started early in November and with an extended harvest season total production could be higher. The Cuban Foreign Trade Ministry estimates that total trade (imports and exports) with the Soviet Union will amount to nearly $800 million in 1967. An agreement between the two countries calls for Cuban delivery of 24 million tons of sugar between 1965 and 1970. (Wilbur F. Buck)

DOMINICAN REPUBLIC

Orderly elections and improved stability encouraged some recovery in economic activity in 1966. In contrast to a significant 1965 decline, gross national product increased an estimated 3 percent, to $989 million but per capita income declined to $264 in 1966. Improved confidence, increasingly evident after midyear elections, indicated that the economic situation may continue to improve in 1967.

Agriculture, construction and service activities expanded in 1966, despite early strikes and some austerity measures imposed by the new administration. Emergency development programs continued important in maintaining stability but interest in private investment increased as the political situation improved. The economy was also stimulated by a recovery in trade, but resumption of normal imports resulted in a decline in gold and foreign exchange holdings from $51 million to $30 million between January and June 1966.

The Dominican Government has undertaken a stabilization program to check the rising costs of living. Ceiling prices were decreed for foods, including peanut oil, rice, and beef. The Government has also reorganized the Ministry of Agriculture, provided new sources of credit, and initiated plans to settle small farmers on government-owned lands.

Total 1966 agricultural production rose nearly 4 percent to an index of 106, for no per capita increase (1957-59 = 100). Food production was estimated 4 percent above 1965 with no change per capita.

Crop production per capita was unchanged in 1966. The Government's credit and stabilization programs encouraged rice production. The 1966 crop was estimated at a record 160,000 tons, which was sufficient to satisfy domestic needs. Conditions were also favorable for corn, which increased 13 percent, but wet weather reduced the peanut crop to 44,000 tons.

The 1966 sugarcane harvest of 6.5 million tons barely exceeded the 1965 crop but sugar production rose to 727,000 tons for an increase of about 25 percent. Coffee production declined slightly to 36,000 tons, approximately the normal output of recent years, but the 1967 crop will probably be down further due to rainy weather at flowering and to damage by the September hurricane. The hurricane also affected banana production, which has dropped in recent years. Cocoa bean production for 1966 showed little change at about 35,000 tons, while the tobacco crop increased 13 percent to 26,000 tons. Difficulty in marketing the 1966 tobacco crop will likely reduce the acreage planted in 1967.

Livestock production during 1966 was restricted by difficulties in marketing and processing. Total output of livestock products increased less than 2 percent. The largest gain was in beef, which increased about 4 percent. Pork was estimated near the 1965 level of 8,000 tons. Milk production recovered with an increase of about 2 percent in 1966.

Foreign trade was up in 1966 with an increase in both total exports and total imports. Sugar exports, estimated near 575,000 tons, were 10 percent above 1965, with about three-fourths of the total shipped to the United States. Exports of coffee increased slightly to about 25,000 tons with some increase for tobacco and cocoa beans. The United States continued to supply large quantities of food under emergency programs in 1966 and commercial imports of agricultural commodities continued below the 1964 level.

U.S. agricultural imports from the Dominican Republic reached $116 million in 1966, up 18 percent from a year earlier. U.S. agricultural exports to the Dominican Republic declined from $24.2 million for 1965 to $21.5 million in 1966. Despite some possibility of expanding fruit and vegetable exports, the Dominican Republic will face a difficult trade year in 1967. The 1967 U.S. quota and prorations for Dominican sugar on February 2 was well below the 1966 level. Low production may make it difficult to fill the 1966/67 coffee quota under the International Coffee Agreement. Imports of agricultural products may be restricted under the country's austerity program. (Wilbur F. Buck)

HAITI

The economy of Haiti showed little evidence of progress during 1966. The estimated gross national product rose 1 percent from an estimated $336 million to $339 million while per capita output declined from $72 to $71. Hurricane Inez, the third severe storm to hit

Haiti in 4 years, occurred in late September, causing heavy damage to personal property. Some estimates placed storm costs as high as $20 million.

The limited 1965 recovery continued into 1966 with moderate gains estimated for the manufacturing and service industries. Agricultural output decreased 2 percent in 1966. The index of total production was estimated at 88 while the per capita index declined about 5 percent (1957-59 = 100). Food production, however, rose 3.4 percent to an index of 91 for a slight per capita gain.

Agricultural production was influenced by extremely heavy rainfall and some hurricane damage during the last half of 1966. Crop production was estimated about 1 percent below the previous year with output of livestock products unchanged.

Rains provided improved moisture for grain crops. Corn production increased by 6.5 percent to 81,000 tons and rice by 2 percent to 43,000 tons, and there was some increase in pulses and other basic food crops. Sugarcane production rose 8 percent to 685,000 tons because of wet weather, but low sucrose content placed sugar output 4 percent below the 1965 output. Sisal declined to 20,000 tons because of low prices and high costs. Coffee production was down 3 percent, and cocoa beans were up slightly from 1965 low levels.

Foreign trade for 1966 reflected, to some degree, an increase in export supplies available from 1965 agricultural production. Coffee exports were increased although Haiti was short of the expanded quota provided by the International Coffee Agreement. Sugar exports also increased with larger shipments moving to the U.S. market in 1966. These gains were partially offset by smaller shipments of cocoa beans and sisal. Imports of agricultural products were estimated down slightly during the year.

The United States is Haiti's principal trading partner, taking one-third of its exports and supplying two-thirds of the imports of agricultural products. U.S. agricultural imports from Haiti decreased from a 1965 level of $13.4 million to $12.7 million in 1966. For the same period, U.S. agricultural exports to Haiti declined from $9.7 million to $8 million. Haiti's lower 1966 export production and some rise in food crops indicates a further possible reduction in agricultural trade with the United States in 1967. (Wilbur F. Buck)

JAMAICA

Expansion in minerals and industry stimulated some recovery in the Jamaican economy during 1966. The gross national product, estimated at $860 million or $469 per capita, increased by 5 percent. Economic growth is expected to continue near this level during 1967 despite continuing trade and fiscal deficits.

Growth of the important bauxite and aluminum industries continued as the key to progress during 1966. Output of petroleum and gypsum also increased. Facilities for alumina processing were expanded during 1966. A long-term agreement concluded with the major producing companies is expected to more than double aluminum production in the next few years. Several small manufacturing industries were also established under the "Pioneer Status" incentives including a flour mill, feed manufacturing plant and a meat packing plant.

The trade deficit for January-September 1966 approximated $51 million compared with $47 million for the same period in 1965. The trade deficit was partially offset by a rise in tourist earnings. Gold and foreign exchange reserves increased from $96 million to $107 million during the 9 months' period. The trade imbalance and a chronic fiscal deficit were of growing concern to the Government. The need continued to expand public investment to reduce unemployment and to meet needs of the country's growing population.

Jamaica continued efforts to expand food production under its 5-year development program. Under this program, an agency of the Government purchases, at prices announced each week, all of certain commodities available

from producers. Development plans also include improvement of agriculture through land reform and irrigation projects. In 1966, the Government announced plans to distribute 27,500 acres of public lands for settlement. This land is to be leased for 5 years with purchase options to farmers approved contingent upon proof of satisfactory management.

Agriculture was influenced by an extended dry season early in 1966 and heavy rainfall later in the year. Agricultural production increased nearly 1 percent over a year earlier to an index of 133 (1957-59 = 100). Total food production gained slightly and per capita production declined over 2 percent.

Crop production approximated the output of the previous year. There was no significant change estimated for the basic food crops except for rice which increased 2 percent to 5,000 tons. Early estimates placed sugarcane production near the 4.8 million ton harvest for 1965. Final estimates indicated a sharp drop offset by an increase in sugar yield per ton. Sugar output was reduced by about 5 percent. Production of cocoa decreased from 2,100 tons in 1965 to 2,000 tons in 1966; coffee continued to decline dropping from 1,600 tons in 1965 to 1,400 tons in 1966. The banana harvest of 320,000 tons was up slightly from the previous years, but the citrus crop was reduced by unfavorable weather.

Livestock production increased slightly for the third straight year. Total output of livestock products increased about 1 percent. Beef production of 13,500 tons was up nearly 2 percent. There was a 3 percent rise in pork and mutton. Milk remained unchanged, with output estimated at 43,000 tons.

Foreign trade continued a rising trend during 1966. January-July exports increased 3.5 percent above the 1965 level of $140.5 million, and imports by 6 percent to $179 million. Principal export gains were in minerals and petroleum which make up nearly half of the total. For January-July 1966, exports of sugar and its byproducts increased 9 percent and coffee, cocoa and products by 45 percent. There was a significant drop in exports of fruits and vegetable production. These agricultural products account for about 40 percent of all exports. January-July 1966 agricultural imports increased 8 percent above 1965. Important gains were in meat and meat preparations, dairy products, fats and oils, and animal feeds. Imports of cereal and cereal products were below the 1965 level.

U.S. agricultural imports from Jamaica totaled $17.5 million for 1966, up 32 percent from 1965. The United States has become one of Jamaica's principal suppliers, accounting for an estimated 30 percent of the country's agricultural imports. U.S. agricultural exports to Jamaica continued an upward trend and were $22.3 million for 1966 compared with $20.8 million for 1965. The limited progress in food production indicates that Jamaica can be expected to continue as a small but growing market for U.S. farm products. (Wilbur F. Buck)

TRINIDAD AND TOBAGO

Expansion in petroleum and tourism stimulated some recovery in the rate of economic growth during 1966, depsite some decline in agricultural output. Gross national product for 1966 was estimated at around $653 million, a rise of 4 percent. Per capita GNP, estimated at $650, ranks second only to Venezuela among the Latin American countries. It is expected that the economy will continue a favorable rate of growth in 1967.

Crude pretroleum production expanded in 1966 to provide increased refinery output. Despite some decone in world price, the January-August 1966 export value for petroleum products exceeded a comparable period in 1965 by about 5 percent. For the period, total exports for 1966 increased by about 7 percent. Imports declined sharply from the record value of 1965 which included significant purchases of industrial machinery and other capital goods. A small trade deficit estimated for 1966 was more than offset by a continuing rise in earnings from the tourist trade.

The Government continued its drive for self-sufficiency by adding several food

commodities to the protected license list. These included chilled and frozen pork, pork in brine, and wheat flour and millings. A new feed mill was opened in October to provide additional support to the livestock and poultry feeding industries. Encouraged by results obtained in expanding poultry production, the Government instituted a strong program for small farm production of pork and milk.

Early drought was followed by unusually wet weather late in the growing season for many 1966 crops. Despite a significant rise in livestock output, the index of total agricultural output declined 3.5 percent to 113, with a per capita reduction of about 6 percent (1957-59 = 100).

Crop production declined about 6 percent in 1966. Rice, tubers and other basic food crops were estimated near the 1965 level. The sugarcane harvest of 2.3 million tons was about 9 percent below the 1965 record due to fires, plant breakdowns and an early rainy season. Sugar yields also were lower with sugar output down 16 percent to 213,000 tons. Coffee production continued near the 1965 harvest of 3,200 tons, considerably below the levels of 1963 and 1964. Cocoa bean production showed little change with the 1966 harvest estimated near 5,400 tons. The citrus crop declined 12 percent from the record 1965 harvest to 44,000 tons with a noticeable uptrend in oranges offset by a decrease in grapefruit.

Livestock production for 1966 reflected strong demand and increased emphasis upon improvement in breeding stock and feeding during the past few years. Total output of livestock products, though small, continued a strong rising trend with an increase of 12 percent. Milk production rose 13 percent to 21,000 tons with pork production up 20 percent from 1965. An excess supply of poultry meat during 1965 encouraged some small producers to shift into egg production during 1966.

Foreign trade for 1966 indicated a growing deficit in agricultural trade. Food exports--principally sugar, sugar byproducts, coffee, cocoa, fruits, and vegetables--were significantly below the 1965 level. Recovery in sugar production and exports is expected in 1967 with return of normal conditions. Special emphasis upon livestock will continue to expand domestic output and reduce imports of livestock products. Imports were up slightly despite increased restrictions with significant gains in meat and dairy products, and fruits and vegetables.

U.S. agricultural imports from Trinidad and Tobago in 1966 were down one-third to $4.6 million. However, U.S. agricultural exports to Trinidad and Tobago for the same period increased from $9.5 million to $11.2 million. Imports of U.S. wheat, livestock feeds, vegetable oils and specialty products should continue to expand in 1967. (Wilbur F. Buck)

OTHER CARIBBEAN ISLANDS

Recovery in the economies of the dependent Caribbean Islands was delayed in 1966 by vagaries of the season: Extremely wet weather in the lower region of the Caribbean; continued drought conditions in the more northern area, especially Antigua; and heavy damage to personal property and crops inflicted by Hurricane Inez in late September, particularly in Guadeloupe. Tourism and related industries continued a steady growth to offset some decline in traditional industries, including sugar and bananas. Unemployment continued to be of major concern in the region.

Dependent islands referred to in this section include the French and Netherlands Antilles, the British dependencies of the Bahamas, Bermuda, Barbados and the Virgin Islands, plus the British Leeward and Windward Islands. Though included in the above grouping, Barbados achieved status as an independent Commonwealth nation on November 30. Further fragmentation of the British West Indies is expected to take place in 1967 when Antigua, St. Kitts-Nevis-Anguilla, Grenada, Dominica, and St. Lucia carry out their projected plans for independence.

The economies of the Caribbean Islands are mostly dependent upon single crops such

as sugar and, in many instances, count heavily upon tourism. Exceptions are the Netherlands Islands of Curacao and Aruba which receive most of their support from the petroleum industry. The sugar and other agricultural industries of the British and French islands are the recipients of specially regulated prices which are well above prevailing world prices. They also receive other support, including the financing of trade and fiscal deficits.

The region's agricultural output for 1966 was down due to lower production of sugar in most areas. In Barbados, the 1966 crop yielded only 162,500 tons of sugar as the result of wet weather, and was from 10 to 15 percent less than normal production. In French Martinique, 1966 sugar output (53,000 tons) was 24 percent below the previous year's harvest and 31 percent less than the 1961-65 average. French Guadeloupe's sugar production (167,000 tons) was also disappointing and 10 percent below the tonnage forecast. Antigua had the lowest rainfall of record with a sugar crop so small (only 7,700 tons) that operation of the island's remaining sugar mill is now seriously in doubt. The 1967 outlook for the area's sugar production is much more favorable.

Bananas, second in importance as an area export crop, experienced a poor season, largely because of the damage from late 1965 and early 1966 windstorms. In the last week of September 1966, Hurricane Inez virtually destroyed the entire banana acreage on the island of Guadeloupe. The developing banana industries of the British Islands of St. Lucia and St. Vincent, however, managed small increases in production during 1966.

Petroleum exports for 1966 continued near the previous year's level, but there was a significant decline in traditional exports, particularly sugar and sugar products and bananas. Food production changed very little, necessitating increased imports to meet the needs of a growing population and a rapidly expanding tourist industry. The 1967 outlook is for a significant rise in foreign trade with the return to normal production of traditional export crops and a continued growth in the number of visitors to the islands.

U.S. agricultural imports from this area in 1966 were estimated at $11.1 million, off 8 percent; agricultural exports, however, increased from $36 million in 1965 to $44.3 million in 1966. U.S. agricultural imports and exports will likely continue gains for 1967. (Wilbur F. Buck)

CENTRAL AMERICA

COSTA RICA

The strong recovery in the Costa Rican economy continued into 1966 with some slowdown late in the year. The growth rate declined slightly with gross national product for the year estimated at $629 million, or $404 per capita, an increase of 6.4 percent over 1965. A further weakening of the economic growth rate is expected in 1967 due to tight credit and uncertainty about fiscal and monetary policies.

A favorable agricultural and export situation stimulated business activity and the demand for goods and services during the first 6 months of 1966. However, a growing fiscal deficit and anticipation of an inflationary rise led to restriction of credit and consideration of a 5 percent sales tax. The National Salary Council voted to freeze minimum wages for agriculture and selected industries near mid-year levels. A slowing of imports late in the year with a rise in exports reduced the trade deficit, although gold and foreign exchange reserves declined from $20 million to $18 million between January and September.

Costa Rica continued its protective agricultural policy with emphasis on still further import substitution of agricultural products. Under a new protocol for the Central American Common Market, outside imports of corn, rice and beans were restricted unless there were no stocks of acceptable quality within the CACM. A tax reform bill has been proposed for legislative approval to give tax

relief to small farmers and increase the tax applied to large landholders.

Abundant and widespread rainfall during the growing season plus recovery of coffee trees and pastures from volcanic ash damage raised the output of nearly all crops and livestock products. The index of agricultural output in 1966 was estimated at 125, up 14 percent from 1965 (1957-59 = 100). Food production was up 16 percent. On a per capita basis total agricultural output gained 9 percent and food production 11 percent.

Crop production increased 15 percent in 1966 to a record index of 133. Rice plantings expanded in the heavier rainfall areas of the southwest and production increased to a record 80,000 tons. The corn and grain sorghum crops also increased but production was still below the record harvests of 1963. Rehabilitation of existing plantations and new plantings resulted in a record 70,000-ton coffee crop, despite Government efforts to limit production. The banana boom continued to expand plantings and 1966 production was estimated at a record 680,000 tons. A recovery in sugar production was stimulated by a larger quota and prorations in the U.S. market, and the cane harvest increased by one-third to about 1.3 million tons.

Livestock production was estimated at an index of 103, up 11 percent from 1965. Beef production recovered to 27,000 tons, an increase of 12 percent, with pork estimated near the 1965 level. Milk production increased 13 percent to 190,000 tons, only 2.5 percent less than the 1964 record. As a result of volcanic ash damage to pastures in the vicinity of San Jose, a new dairy area was opened near Ciudad Quesada, about 50 miles from the capital. Milk from this area is now shipped to San Jose, but a milk processing plant in the new area is contemplated in 1967.

Foreign trade recovered in 1966 in response to improved agricultural output. Total exports were estimated near $130 million, an increase of 20 percent from 1965 due, in part, to larger shipments of manufactured products to the Central American Common Market countries. Total imports were estimated at near $135 million, compared with $178 million the previous year.

Coffee exports increased 4 percent to an estimated 50,000 tons in 1966 while cocoa beans increased 19 percent to 8,300 tons. Banana shipments were up more than one-fifth to an estimated 588,000 tons, and sugar exports estimated at 60,000 tons, were up 86 percent. Exports of cattle and meat increased sharply and Costa Rica expanded shipments of dairy products--particularly butter--to Panama and other neighboring Central American countries. U.S. agricultural imports from Costa Rica increased from $54.3 million in 1965 to $57 million in 1966.

Wheat flour continued as the principal agricultural import during 1966 with purchases estimated near 60,000 tons (wheat equivalent), a rise of about one-fourth. A moderate expansion was estimated for import of other agricultural products including corn, rice, tobacco, and baby chicks. U.S. agricultural exports to Costa Rica continued a slight downtrend with a decline from $6.1 million in 1965 to $5.8 million in 1966. With expanded Costa Rican agricultural output in 1966 and growing competition from the Central American countries, U.S. agricultural exports to this country may show little gain in 1967. (Mary S. Coyner)

EL SALVADOR

The growth rate for El Salvador's economy in 1966 reflected farm and nonfarm progress. Gross national product increased an estimated 6.4 percent to $845 million, or $281 per capita. Another good year is expected in 1967 with growth near the 1966 rate.

Growth of industry, particularly textiles, chemicals, and pharmaceuticals, encouraged by benefits provided under the Industrial Development Law, continued as one of the bright spots in the economy. With a significant rise in construction, urban employment was maintained near record levels during 1966. The trade situation was less favorable due to a drop in cotton, lower coffee prices, and a rise in

value of imports. A trade deficit, estimated near $5 million at midyear, led the Central Reserve Bank to draw $10 million from the International Monetary Fund. Despite this, gold and foreign exchange reserves declined from $56 million to $54 million between January and September 1966.

El Salvador's national supply agency joined with the grain regulating agency of Honduras to help support corn prices, each country undertaking to purchase and store 13,800 tons during the September-November harvest season. In early 1967, the Ministry of Agriculture plans to initiate a 4,600 hectare land development project in the Zapotitan Valley to benefit 750 families. Another similar land reclamation project is under study involving 68,000 hectares in the Grande and Lempa river valleys. These projects are generally aimed at diversification of agriculture away from coffee and cotton to food crops and livestock.

Agricultural conditions were favorable, bringing a general recovery from the 1965 drought year. Net agricultural output for 1966 increased about 6.4 percent to an index of 133 but was below the record of 143 for 1964 (1957-59 = 100). Food production reached a record level with a gain of nearly 9 percent. On a per capita basis, total output increased by 3 percent and food by 5 percent in 1966.

Crop production was estimated up about 7 percent in 1966 with a significant shift of area from cotton to food crops, particularly corn. With a 9 percent rise in area and higher yields, corn production increased 36 percent to a record 276,000 tons. A larger area also resulted in a significant increase in the rice and sorghum grain crops. The sugarcane harvest increased 26 percent in 1966 with a sugar output of 120,000 tons--up 5 percent from 1965. The coffee crop recovered and was estimated at a record 126,000 tons. Cotton area and production dropped for the second year with 1966 fiber output of 33,000 tons compared with 50,000 in 1965 and a record 81,000 for 1964.

Livestock production expanded an estimated 4 percent in 1966, but the industry continued to lag despite Government-sponsored cattle and swine improvement programs. Production of beef and pork was estimated near the 1965 levels of 22,000 and 15,000 tons, respectively. The principal gain was in milk production, which increased over 3 percent to 258,000 tons.

Foreign trade continued to rise in early 1966; exports slowed somewhat later in the year. An increase in exports of manufactured products was more than offset by some reduction in agricultural products--which usually account for over three-fourths of the total. Total exports were forecast about 5 percent below the record 1965 level of $189 million. Imports maintained a rising trend--up about 10 percent from the previous year's total of $201 million.

Carryover stocks permitted foreign shipments of cotton and coffee--the two principal agricultural exports--to be maintained at high levels in early 1966. Available cotton supplies were reduced later in the year and 1966 exports were estimated near 54,000 tons, down from the 56,000 tons shipped in 1965. El Salvador's coffee quota for 1965/66 under the International Coffee Agreement was reduced by overshipment during the previous marketing year and total 1966 exports were estimated near 89,000 tons compared with 101,000 tons the previous year. However, El Salvador benefited from larger allocations in the U.S. sugar market and 1966 exports were near 40,000 tons, more than double the 1965 level. Exports of other agricultural products, principally to neighboring Central American countries, continued a slight rise. U.S. agricultural imports from El Salvador in 1966 totaled $37.9 million, off 14 percent.

Agricultural imports for 1966 continued to increase despite some rise in production. Wheat and rice imports were higher, other grains and beans lower. Increased trade in these and other products was reflected in U.S. agricultural exports to El Salvador which grew from $8.1 million in 1965 to $9.3 million in 1966.

Reduced supplies will continue to restrict cotton exports in 1967. Sugar exports also may be lower and coffee near the 1966 levels.

Large harvests of food crops may reduce imports of some agricultural products including corn and grain sorghums. (Mary S. Coyner)

GUATEMALA

Economic activity continued at high levels in Guatemala during 1966 despite some slowdown in growth late in the year. The estimated gross national product of $1.5 billion (1965 prices), or $314 per capita, was 6.1 percent above 1965. A prospective decline in exports and some weakening of business confidence may restrict economic growth during the coming year.

Industry was encouraged by customs and tax benefits provided under the national development law and by a high level of demand. Export earnings in 1966 were estimated up by 19 percent to a record $223 million, while imports decreased 3 percent to approximately $222 million. Gold and foreign exchange holdings increased from $68 million to $73 million between January and September 1966. However, exports are expected to decline in 1967. Political difficulties plus increasing urban and rural violence continue some weakening of business and investor confidence. During the coming year, economic activity may also be influenced by some contraction of money and credit.

A Decree Law of April 1966 provided a measure of state control over the autonomous National Coffee Association. An official Council for Coffee Policy was established to exercise authority over the ANC, including approval of coffee marketing quotas to individual producers and the issuance of export licenses. In May, the Production Development Institute was authorized to import up to 4,536 tons of rice from countries outside Central America to alleviate a temporary shortage of rice and bring prices to more reasonable levels. A maximum beef price was established in Guatemala City for 2 months and beef exports were suspended to prevent a rise in consumer prices. The Ministry of Agriculture established six types for this year's cotton crop and authorized the use of "low volume" (concentrate) insecticide for insect control on cotton plantations.

The agricultural production index for 1966 was estimated at 162, slightly below 1965, but food production was up by 12 percent to 153 (1957-59 = 100). On a per capita basis, total agricultural output was down 4 percent, with food production up 8 percent.

Crop production decreased slightly in 1966. Weather conditions were favorable for planting and harvest of the principal food crops, but lower world prices and rising costs encouraged some cutback in harvested area for export crops, including coffee, cotton and sugarcane.

Favorable 1966 weather resulted in a larger area and higher yields for most food crops. Corn production increased 19 percent to a record 805,000 tons with record crops for other grains, including wheat and sorghum grains. The rice crop of 18,000 tons was the largest since 1964. Bean production was up 28 percent to 51,000 tons with an 18 percent rise in potatoes.

Coffee production was estimated down by 11 percent to 108,000 tons in 1966. The reduction was attributed, in part, to producer anticipation of cuts in their 1966/67 marketing quotas. Cotton producers reduced planted area in the face of lower prices and higher costs; cotton production declined 12 percent to an estimated 76,000 tons.

The area planted to sugarcane increased by 5 percent in 1966. However, the National Sugar Association limited 1966 centrifugal sugar production to 150,000 tons based on anticipated exports, domestic consumption, and a stock level equal to domestic consumption needs for 1 month. Banana production of 148,000 tons was nearly double the drought-reduced 1965 crop.

Livestock production continued to decline, with the 1966 index for output of livestock products at 100, 2 percent below 1965. Production of beef and pork was near the 40,000 tons estimated for 1965. Both dairy cow numbers and yield of milk per cow continued to decline. Milk production was down from 149,000 tons in 1965 to 145,000 tons in 1966.

Foreign trade reflected near-record earnings from the principal agricultural commodities in 1966 with a moderate rise in agricultural imports. Coffee exports were estimated near 118,000 tons, about one-fourth greater than 1965. Cotton shipments were about 79,000 tons, up 30 percent. Sugar exports increased sharply to about 50,000 tons with bananas estimated at 65,000 tons, nearly double 1965. Preliminary reports indicate that wheat imports, including flour, continued to rise in 1966 with purchases estimated 10 percent above the 1965 level of 54,000 tons. Other grain imports declined, with a moderate rise estimated for dairy products and animal fats.

U.S. agricultural imports from Guatemala increased sharply from $62 million in 1965 to $76.8 million in 1966. The United States continued to supply about 60 percent of Guatemala's agricultural imports, such shipments increasing from $10.8 million in 1965 to $12.8 million in 1966. Little increase in the total level of Guatemalan agricultural imports is expected for 1967 in view of the increased production of 1966 food crops. (Mary S. Coyner)

HONDURAS

Expansion of agriculture and industry supported a continued strong rate of economic growth in Honduras during 1966. The gross national product was estimated at $534 million, or $229 per capita, an increase of 6 percent over 1965. Honduras is expected to maintain strong growth in 1967 but there have been indications that it might be below the 1966 rate.

New and prospective industrial investments were important during 1966. These included: Two textile mills and an oilseed crushing plant which started operation during the 1966 cotton harvest; a cigar factory to produce for export to the Central American Common Market; and a new starch factory requiring 23,000 tons of corn annually. There was also interest in investment in pulp, resins, and similar products to utilize forest resources. Private construction continued at a high level.

The export situation improved, despite lower earnings from cotton and coffee, and provided the third successive trade surplus. Gold and foreign exchange reserves increased from $23 million to $37 million between January and September 1966.

Honduras concluded an agreement with El Salvador to support corn prices. Under the agreement the Government of each country is to purchase and store 13,800 tons during the main September-November harvest period. Each country also is to attempt to improve financing of its price stabilization programs and to study common problems in storing and marketing.

Planting and growing conditions were generally favorable in 1966 despite heavy rains late in the agricultural year. The index of net production increased 12 percent to 156 (1957-59 = 100). The index of net food production rose 15 percent, with a per capita rise of 12 percent.

Crop production recovered from the drought which affected many areas in 1965 with an increase of 13 percent for 1966. The corn crop was up 20 percent and sorghum grain increased 34 percent. There was a moderate rise for rice and beans. The extended rainy season resulted in a 23 percent increase in sugarcane. Expanded area accounted for a 15 percent rise in bananas with production totaling 1.3 million tons. The coffee harvest exceeded the record 1965 output despite some damage from heavy rains near harvest time.

Livestock production continued near the level of recent years with an increase of less than 1 percent in output of livestock products. Output of beef and pork was estimated near the 1965 level of 20,000 tons. Milk production continued to rise, increasing 1.4 percent to 150,000 tons in 1966.

Foreign trade increased in 1966 due to expansion in agricultural products--which account for about 85 percent of exports and 8 percent of imports. Banana exports were estimated about 20 percent higher than 1965 and beef moved up 5 percent. Coffee and corn were

near the previous year's level but shipments of cotton, cattle and hogs declined. U.S. agricultural imports from Honduras in 1966 totaled $76.3 million, up 18 percent. U.S. exports to Honduras of grains and cereal preparations, dairy products, fruits and vegetables, and other agricultural products were $5.8 million during 1966 compared with $5.0 million in 1965.

In 1967, Honduras will probably continue to expand exports of bananas, coffee, beef and corn. Livestock exports may continue to decline. Imports of the principal agricultural commodities will be near the 1966 level. (Mary S. Coyner)

NICARAGUA

Nicaragua maintained a favorable level of economic activity during 1966, but the growth rate declined due in part to lower exports, particularly of cotton. The estimated gross national product of $606 million, or $355 per capita, was 6 percent above 1965. Lower levels of exports for cotton and coffee are expected to restrict significant expansion in the economic growth rate in 1967.

The economy was stimulated in 1966 by improved agricultural conditions and some expansion in industrial and construction activity. Business confidence was reflected by an expansion of commercial bank loans by 25 percent from January to September 1966. January-September exports were valued at $121.4 million compared with $129.2 million in 1965. Imports continued to increase but at a slower rate than in recent years, with an increase in the 9-month total from $92.9 million in 1965 to $102.8 million in 1966. Gold and foreign exchange holdings declined slightly from $57 million to $55 million during the 9-month period.

The Central Bank, early in 1966, approved financing of development programs for rice, coffee, tobacco and bananas to be administered by the National Bank and the Development Institute (INFONAC). Coffee acreage and production will be reduced in early years of the program by diverting marginal lands to other crops with output increased later through improved production techniques. Three-year programs are to expand the rice area by about 4,300 hectares and provide 5,000 hectares of wind-resistant banana plantings for a new area in the Pacific zone. Tobacco for export is to be encouraged and the Bank's programs for financing livestock and cotton production continued.

The 1966 index of agricultural production was estimated at 165 or 11 percent above 1965, as a result of excellent weather conditions (1957-59 = 100). Food production increased 5 percent to an index of 129. Per capita gains were 8 percent and 2 percent, respectively, for agricultural and food output.

Crop production recovered from the drought conditions of the previous year and increased 18 percent to a record index of 225. Midyear rains improved corn yields and production rose 16 percent to a high of 163,000 tons. Harvests of other grain and bean crops were near the previous year. Cotton production for 1966 was up about 24 percent despite some delay in seeding due to heavy rains. Coffee continued a rising trend with production estimated at 35,000 tons. The 1966 sugarcane production increased slightly, but dry weather reduced yields and sugar production.

Livestock production reflected early dry weather with some improvement in pasture conditions after midyear. Total output of livestock products continued to rise with an increase of 3 percent from 1965. Beef production rose moderately; but the estimated production of 20,000 tons was well below peak level achieved in 1963, indicating a possible shortage of marketable grades of cattle. A buildup in numbers and increased demand encouraged unusually heavy hog slaughter and pork production was estimated at 10,900 tons compared with 5,700 tons in 1965. Milk production was estimated near the 1965 output of 425,000 tons.

Foreign trade reflected lower agricultural production in 1965 with 1966 exports more than 5 percent below the record $143.5 million of the previous year. Cotton exports,

estimated at 109,000 tons, were 12 percent below 1965. Nicaragua was unable to fill its U.S. sugar quota for 1966 and exports declined from 45,430 tons in 1965 to an estimated 28,000 tons in 1966. There was also a significant reduction in bananas with coffee down slightly. The overall effect of these reductions on trade was modified by larger exports of meat, up 46 percent in 1966, and shrimp which was nearly double 1965 shipments.

Lower 1965 food production encouraged some rise in agricultural imports. Wheat purchases were estimated above the 1965 level of 30,900 tons and there was some increase in other products, including rice, fats and oils, and dairy products. U.S. agricultural exports to Nicaragua increased from $7.2 million in 1965 to $8.2 million in 1966. In contrast, U.S. agricultural imports declined from a 1965 level of $31.1 million to $21.1 million in 1966. (Mary S. Coyner)

PANAMA

A high rate of economic growth was maintained in Panama during 1966. The estimated gross national product of $664 million, or $516 per capita, was 8 percent above the record achieved in 1965. The outlook for further economic expansion in 1967 appears favorable.

Industry continued steady gains, with work moving ahead for new plants to produce flour, cement, office furniture, clothing, and other products. General confidence was indicated by expansion in private construction activity, which was near a record level. Exports continued at a satisfactory rate, but heavy import demand resulted in another large trade deficit. This was offset by tourist trade and canal receipts. Gold and foreign exchange reserves increased from $30 million to $32 million between January and September 1966.

The Government continued to maintain minimum prices to farmers for principal agricultural products through the Institute for Economic Development. To upgrade rice production, the IFE adjusted prices to producers by imposing penalties for high percentages of small or broken grains.

Due to drought and other problems affecting sugar, agricultural production declined 4 percent to an index of 128 in 1966 (1957-59 = 100). Food production was also 4 percent below 1965 with a decline of nearly 7 percent on a per capita basis.

Crop production for 1966 declined 5 percent from the 1965 record. The reduction was due, primarily, to the lower sugarcane harvest. It was reduced by drought and processing problems to 465,000 tons, less than 40 percent of 1965. However, recovery and a record sugarcane crop are expected in 1967. Corn benefited from ample rainfall, with 1966 production increased 10 percent to 90,000 tons. Rice was slightly larger than the record 1965 crop. The banana area continued to expand and 1966 production rose 4 percent to 550,000 tons. New roads have encouraged expanded coffee plantings, and the 1966 harvest was up one-fourth to 5,000 tons.

Livestock production benefited from better than normal pasture conditions, and the output of livestock products increased an estimated 5 percent in 1966. Beef production increased 8 percent to 26,000 tons with some expansion in export output from a new slaughter plant. Milk production continued to expand with 1966 output near 75,000 tons.

Foreign trade continued to gain in 1966. Exports maintained an uptrend and were estimated significantly above the 1965 level of $78 million. Banana shipments continued to expand and for the first 6 months of 1966 exceeded exports for the same period in 1965 by about 15 percent. However, sugar exports declined, and a small increase in meat was offset by a reduction in live cattle exports. U.S. agricultural imports from Panama increased from $36.8 million in 1965 to $45 million in 1966.

Total imports for 1966 were estimated near $205 million, an increase of about 8 percent from 1965. Imports of agricultural products increased in response to growth in consumer demand. Wheat and flour imports for 1966 exceeded the 1965 volume of 31,000 tons (wheat equivalent) but increased production

reduced import needs for other grains. The United States normally supplies more than three-fourths of total agricultural imports. U.S. agricultural exports to Panama increased from $14.5 million in 1965 to $17 million in 1966.

Panama's trade with other Central American countries is growing under a three-nation agreement, which includes Costa Rica and Nicaragua. Panama exchanged surplus rice for Costa Rican butter in 1966. Panama has also indicated its intent to enter the Central American Common Market. This action may tend to reduce U.S. trade for some agricultural commodities over a period of time, but Panama should continue to provide a small but growing market, particularly for U.S. wheat and vegetable oils. (Mary S. Coyner)

BRITISH HONDURAS

The economy of British Honduras moved ahead in 1966 with a growth rate near the 1965 level of 6 percent, somewhat lower than for previous years. The country's important forestry continued to decline. The growing fishery industry slowed because of lower prices. Agricultural production was hurt by unusually heavy rainfall and output remained near the 1965 level.

Lower exports indicated some rise in the chronic trade deficit, largely covered by financial assistance from the United Kingdom. The Government indicated its intention to push ahead on programs to encourage expansion in agriculture and trade and to provide improvements in transportation needed to encourage land development. Construction of a new sugar mill progressed with completion scheduled early in 1967, along with a new meat packing plant. The Ministry of Natural Resources approved a lease of 2,000 hectares of land to a foreign company for intensive production of cucumbers and other crops over a 10-year period.

Agricultural production was affected by above-normal rainfall during 1966. Heavy rains reduced the corn harvest to 3,300 tons, about 40 percent less than in 1965. The rice crop was also damaged with production reduced from 3,500 to 900 tons. Current estimates also indicate a decline of about 25 percent in the 1966/67 harvests of oranges and grapefruit. In contrast, sugar output increased 22 percent from 36,100 tons in 1965 to 44,200 tons in 1966. Commercial banana production continued some recovery. There was little change in meat production.

Foreign trade in agricultural products in 1966 was above 1965 due to larger shipments of sugar and citrus fruit. Some agricultural imports were also increased to compensate for lower production of corn, rice and some other basic food crops. A significant rise in agricultural exports is forecast for 1967 based principally upon an anticipated doubling of sugar output. This gain will be offset by reduction in the export availability of citrus products from the 1966/67 crop. British Honduras will continue to import significant quantities of dairy products, wheat flour, meat and animal fats. The United States is supplementing the United Kingdom as a sugar market and supplies 50 percent of agricultural imports. U.S. agricultural imports from British Honduras increased 11 percent to $2.2 million in 1966, and agricultural exports rose 9 percent above 1965 to $2.5 million in 1966. (Mary S. Coyner)

SOUTH AMERICA

ARGENTINA

A recession in 1966 interrupted a 2-year upswing in the Argentine economy. Gross national product dropped 1 percent to $13.3 billion with per capita product down 2.7 percent to $586. Economic activity strengthened late in the year, indicating a recovery trend in 1967.

The recession was attributed, in part, to Government action taken in 1965 to slow inflation through restraints upon money and credit

and budgetary costs. These restraints were reflected, with some rise of production costs, in a slowdown in the manufacturing and related basic industries including motor vehicles, agricultural machinery, iron and steel. A relaxation of controls instituted by the new Government near midyear resulted in a moderate recovery, but industrial production still fell 1.4 percent. There was also a dip in services and transport, partially offset by modest gains made by commerce, minerals, building construction and public services.

The cost of living index rose 29.9 percent during 1966, compared with 38.2 percent during 1965 despite a significant rise in the budget deficit and money supply. The peso, pegged at 186 to the dollar at the end of 1965, was depreciated in stages through the year. In November the Government announced a substantial devaluation and indicated that the rate would be permitted to fluctuate at between 245 and 255 pesos. On March 13, 1966, an unexpectedly large devaluation of the peso to 350 to the dollar was announced.

Expanded exports of grains and other agricultural products, together with reduced imports resulting from a cutback in industrial activity, generated a record trade surplus of $437 million. As a result, gold and foreign exchange reserves at the end of the year stood at only $20 million below the $236 million held at the end of 1965, despite rather heavy debt servicing.

The new military government, installed in June, placed a high priority upon agricultural production and trade with special emphasis upon modernization and improved productivity. It hopes to increase production and exports through liberalization of the foreign exchange market, elimination of export retention taxes, and modification of the tax system to encourage investment.

Support prices for the 1966/67 season, including grains and oilseeds, were increased substantially and the system was modified to forbid sales below the established minimum price. The Government acted to curtail surplus sugar production by closing 8 sugar mills in Tucuman Province and decreeing that sugar production would be limited to 900,000 tons in 1966 and 750,000 tons in 1967. It also restricted harvesting of the yerba mate crop in 1966 because of the large carryover from the previous year. Beefless days were discontinued to support a weakened market for meat and special credits were granted to livestock producers to forestall forced sales of cattle.

Heavy rains and flooding damaged some early crops but provided above normal moisture for pastures and seeding of later crops which were affected by dry weather near harvest. On balance, it was a favorable year with the index of net agricultural production increasing 8 percent to 113 percent (1957-59=100), the highest level since 1963. Net food production rose 10 percent to an index of 116.

Crop production increased 4 percent in 1966 to an index of 118, but was short of the postwar high of 131 recorded in 1964. Increased grain production led the rise, supported by citrus fruits, grapes, sunflowerseed, tung nuts, and sweetpotatoes. Unusually wet weather adversely affected many early harvested crops (March-May), including rice, deciduous fruits, cotton, peanuts, and tobacco. Current reports indicate good producer response to higher 1966/67 support prices and increased plantings of early 1967 crops including corn, sorghum grains, rice, and sunflower seed despite reduced soil moisture.

Higher prices encouraged larger plantings of the principal 1966 grain crops and the total seeded area of 15.7 million hectares was 8 percent above 1965. Corn was affected by wet harvest weather in some areas but increased area and yields resulted in record crops of both corn (7 million tons, up 37 percent) and grain sorghums (2.1 million tons, up 148 percent). Wheat production increased about 8 percent to 6.7 million tons despite some late drought. Production of oats, barley and rye also recovered, but there was a 38 percent drop in the rice harvest.

Sunflowerseed output increased 3 percent to 782,000 tons based on a 1 percent increase in area planted and a 14 percent

increase to 1.4 million hectares is estimated for 1967. Rain damage reduced peanut output by 7 percent to 411,000 tons. Higher flaxseed yields largely offset a 23 percent decline in area (shifted to wheat), and production dropped 5 percent to 540,000 tons. Tung nut production was a record 175,000 tons, more than four times the very poor 1965 crop.

Restricted area and frost were responsible for an 18 percent drop in the sugarcane harvest to 10.8 million tons. Sugar production was estimated at 900,000 tons compared with 1.2 million in 1965. The potato area declined in response to lower prices and production dropped 40 percent to 1.5 million tons. Poor weather brought a drop in the harvest of deciduous fruits from the record levels of 1965 including apples (339,000 tons, down 38 percent), peaches (114,000 tons, down 52 percent), pears (72,000 tons, down 17 percent), and plums (42,000 tons, down 5 percent). Grapes, an exception, were up 15 percent to 2.6 million tons. Citrus production continues to respond to rising demand for juices and concentrates; orange output rose 33 percent to 560,000 tons and tangerines rose 43 percent to 144,000 tons. Sweetpotato output was 362,000 tons, up 6 percent. Cotton fiber and seed production declined 24 percent to 105,000 and 209,000 tons, respectively, because of rain and flood damage. Tobacco output, also affected by heavy rains, was down 21 percent to 42,000 tons.

Livestock production recovered in 1966 and the index of output increased 14 percent to 108, the same as the record achieved in 1963. Pasture conditions were better than normal through September with drought reduction later in the year. Tight credit, increased costs, and some weakening in meat prices encouraged a significant rise in slaughter following a strong buildup in herds in progress since 1963.

Total production of meat (excluding poultry) was estimated at 2.9 million tons, up 17 percent from the previous year. The buildup in cattle numbers leveled off in 1965 with some 1966 reduction in herd indicated by increased slaughter of young steers, cows and heifers. Large numbers were partially offset by lower slaughter weights and beef production was 2.4 million tons, up 15 percent from 1965. Production of mutton increased from 161,000 tons in 1965 to 260,000 tons, and pork output was up one-third to 260,000 tons. Output of poultry meat declined 16 percent to 120,000 tons in the face of larger domestic supplies of red meat.

Favorable prices and the buildup in sheep numbers contributed to a continuing rise in wool production, which increased 2.6 percent to 200,000 tons in 1966. A mild winter and good pasture conditions encouraged a recovery in milk production to 4.8 million tons--up about 4 percent from 1965 but still below 1964. The rise in animal slaughter resulted in increased output of meat byproducts, including lard, tallow, hides and skins.

Foreign trade declined slightly in total value (exports plus imports) from $2.7 billion in 1965 to $2.6 billion in 1966. Agricultural commodities--particularly corn, sorghum grains, meat, and wool--maintained a rise in total 1966 exports to an estimated $1,537 million, an increase of 3 percent. Imports declined 8 percent to about $1,100 million. U.S. agricultural imports from Argentina increased one-fifth to $109 million; agricultural exports declined one-third to $5.0 million.

Wheat exports declined from the near-record 6.7 million tons for 1965 to an estimated 5.1 million tons in 1966 despite a sharp reduction in stock levels. The 1967 goal for wheat planning is 8 million hectares compared with 6.3 million hectares seeded in 1966. Corn exports from the large 1966 crop totaled 3.7 million tons compared with 2.8 million tons the previous year. Grain sorghums increased from 167,000 tons in 1965 to an estimated 1 million tons in 1966. Shipments of other grains declined sharply because of reduced supplies.

Exports of edible vegetable oils were stimulated by favorable world prices. Shipments, principally of sunflowerseed and peanut oil, expanded 60 percent to 160,000 tons leaving a minimum carryover into 1967. Linseed oil exports declined 48 percent to an

estimated 125,000 tons, while tung oil doubled to an estimated 14,000 tons. Shipments of oilseed cake and meal declined about 11 percent to an estimated 850,000 tons in 1966.

Sugar exports were limited to the U.S. market due to high production costs and internal prices. Lower production resulted in a general reduction in shipments of fresh and canned fruit. Cotton exports recovered from low 1965 levels to an estimated 12,000 tons, but Argentina continued as a net importer. With reductions in the size and quality of production, tobacco exports were well below the 11,000 tons for 1965.

Argentina's shipments of red meat (including horsemeat) increased 15 percent to 595,000 tons in 1966. Beef and veal shipments were up 12 percent to 475,000 tons and exports of pork, lamb and mutton were up sharply from the previous year. Increased production and favorable prices resulted in 1965/66 (October-September) wool exports of 155,000 tons, up 27 percent from the previous marketing year. Shipments of cattle hides and skins increased 15 percent in 1966.

Higher domestic prices and the recent currency devaluation indicate that Argentina may continue a high level of agricultural exports during 1967. Larger 1966 harvests should permit wheat exports to be maintained near the 1966 level with some expansion in oats and barley. An increase in planted area is anticipated for crops harvested in early 1967, including edible oilseeds, with plantings of corn and grain sorghums 5 and 9 percent, respectively, above the 1966 level. Nearly ideal weather for corn has created expectations of a 9 to 10 million crop which might provide an export supply of some 6 to 7 million tons. Recovery is anticipated for fruits, with cattle slaughter and meat production continuing near the 1966 rate. (Richard M. Kennedy)

BOLIVIA

Bolivia continued a strong rate of economic growth in 1966 based upon improved performance of the mineral industry. The gross national product, estimated at $638 million or $151 per capita, increased 5.5 percent above the 1965 level. The outlook for 1967 is for continued economic growth but at a slower rate.

Recent growth trends reflect some improvement in the political situation, a steady rise in production and export of minerals, and the building of roads to open eastern lands for development. The Government-owned mining corporation (COMIBOL), whose operations were at a substantial deficit in 1960, is expected to show a profit in 1966. The potential for petroleum and natural gas is promising and the inauguration of a new pipeline to Arica, the Chilean free port, marks an important step in export development.

Bolivian exports for 1966 reflect increased shipments of tin and other minerals, and the generally high world tin price. Bolivia achieved her first export surplus in a number of years in 1966, according to preliminary reports. Gold and foreign exchange reserves were estimated to be $44 million at the end of September compared with $36 million at the beginning of 1966. Increased demand for goods and services was indicated by the cost-of-living index, which increased 7.7 percent through December.

Agricultural production in the Altiplano was reduced by cold weather and drought. This was offset by favorable growing conditions in other areas. Net agricultural output for 1966 increased about 3 percent from 1965 to an index of 114 with no change in per capita production (1957-59 = 100). Food production rose about 2 percent with a small per capita decline.

Crop production in 1966 was estimated about 5 percent above 1965. Dry weather reduced the potato harvest and frosts curtailed the barley crop 17 percent to 63,000 tons. Corn yields improved with production up nearly 9 percent to 260,000 tons. The wheat harvest was up 38 percent and rice up 11 percent. Sugarcane production recovered from the low 1965 level with the harvest estimated near 1.2 million tons.

Livestock production stabilized at the 1965 level to interrupt a rising trend in progress since 1960. Production was affected by unusually dry conditions in the important highland region. The scarcity of meat in La Paz, the capital city, led the Government to prohibit exports of cattle to Peru early in 1966.

Foreign trade in agricultural products is restricted by Bolivia's isolated position. Farm products usually account for about 5 percent of total exports and less than 30 percent of imports. In 1966, agricultural exports doubled in value, mainly shipments of Brazil nuts, coffee, rubber, vicuna wool, wild animal skins, and more than 3,000 tons of sugar to the United States. The United States imported $3.2 million in agricultural products from Bolivia in 1966, up 45 percent, and continued as the principal supplier of agricultural imports. However, U.S. agricultural exports to Bolivia continued a downtrend and dropped from $10.2 million in 1965 to $9.0 million in 1966. (Samuel O. Ruff)

BRAZIL

A decline in Brazilian agricultural output and monetary restrictions imposed by the Government stabilization program contributed to a slowing of economic activity in 1966. The gross national product, estimated at $16.1 billion ($192 per capita) for 1966, increased by only 1.7 percent compared with a rise of 7 percent for 1965.[4] However, a favorable trade balance and some expansion in industrial activity indicate an improved economic outlook for 1967.

The 1966 rise in the cost of living was estimated a little less than the 1965 rate of 45 percent. Government fiscal policies which placed strong restrictions upon monetary expansion contributed to a slowdown of activity in some consumer goods industries. Government policies and improved economic stability encouraged a significant rise in savings, and the estimated fixed investment rate increased by 20 percent to the highest level since 1963. A significant expansion in minerals, steel, machinery and other basic industries accounted for a mild recovery in total industrial output.

Total exports in 1966 were estimated at $1.7 billion compared to the record $1.6 billion achieved in 1965. A trade surplus of over $200 million was achieved despite an increase in imports of 27 percent to $1.5 billion. However, gold and foreign exchange holdings at the end of September were estimated at $421 million, off 17 percent from the end of December 1965. Larger 1966 imports may be attributed in part to the trade liberalization policy, initiated in November 1965, under which 877 items were transferred from the "special" to the "general" category of the Brazilian tariff schedule.

Retail and wholesale price controls were removed from major food commodities except meat products, fresh milk, bread and sugar, and prices for those commodities were raised to much higher levels. Under new policies, minimum producer prices were considerably increased for all crops except coffee. Administration of the support program was changed from Government purchase and storage of commodities to private marketing under a system of nonrecourse loans. In order to reduce surplus coffee output and diversify production, the Government offered payments to remove coffee trees and replant vacated land to other crops including corn, rice, beans, oilseeds, cotton, tobacco, fruits, and vegetables. Restrictions were removed from exports of crops included in the price support program, effective with the 1967 harvests of those crops. Imports of those commodities are to be permitted when unrestricted export results in temporary shortages.

Due to unfavorable weather and an off-year coffee cycle, agricultural output declined in 1966. The agricultural production index was estimated at 119, about 13 percent below the record for 1965 (1957-59 = 100). The food production index declined 8 percent. With a

[4] GNP estimates vary considerably. The estimate used here is based on cruzeiro value estimates of the Getulio Vargas Foundation and converted to dollars at the average free market rates for 1965.

population of 84.0 million growing at an annual rate of 3.0 percent, the per capita food index of 105 was the lowest since 1960. Lower production resulted in market shortages of meat and other food commodities and a strong rise of food prices in early 1966.

Crop production for 1966 declined 15 percent from the 1965 record to the lowest levels since 1964. The harvested area for major crops declined more than 5 percent due, in part, to excessive rainfall which also reduced yields of some food crops. Significant reductions were estimated for harvests of grains, tubers, sugarcane, coffee, cocoa beans, and tobacco with a rise in output of oilseeds and cotton.

Some reduction in seeded area for corn and rice, Brazil's principal grains, resulted in part from dissatisfaction with support price levels. Excessive rainfall near harvest lowered corn yields in some areas and production was estimated at 10 million tons, down 17 percent. A smaller rice area was partially offset by higher yields and 1966 production of 6.8 million tons was down 3 percent from 1965. The wheat harvest was 300,000 tons, compared with 230,000 tons in 1965. There was little change in other minor grains.

Wet weather near harvest reduced yields of dry beans and 1966 production of 1.6 million tons was down by nearly one-third despite a 7 percent rise in area. The harvest of manioc was estimated down 20 percent at 20 million tons and there was some decline in the citrus harvest. However, production of some other basic food crops including potatoes, sweetpotatoes, bananas, and other vegetables benefited from improved moisture conditions.

Oilseeds provided one of the bright spots in the 1966 crop situation. Favorable prices encouraged a continued shift to peanuts and soybeans in the South. Peanut production of 777,000 tons exceeded the 1965 record by 5 percent and soybeans declined 7 percent to 488,000 tons. Castorbean production of 230,000 tons was down 35 percent but, with recovery in cotton, cottonseed production of 1.1 million tons matched the record 1962 output.

The Brazilian Sugar and Alcohol Institute established sugar production quotas in 1966 to reduce the surplus developed from the large 1965 cane harvest. Sugarcane production of 64 million tons in 1966 was 16 percent below the 1965 record, approximating the 1964 output. Coffee production of 1.3 million tons was down more than 44 percent from the large harvest of the previous year due, in part, to August frost and insect damage in Parana, the principal producing state. Pod rot, resulting from low temperatures near harvest, reduced 1966 cocoa bean production to 155,000 tons. Reduced area contributed to an 8 percent decrease in tobacco. Growing conditions were favorable for cotton and, despite a small reduction in the planted area in the South, the 1966 harvest of 549,000 tons represented a large gain over 1965 but about the level of output for 1962 and 1963.

According to current reports, a strong recovery in output of most crops may be anticipated in 1967. Favorable support prices are expected to stimulate expansion in area planted to corn, beans and other important food crops. Coffee producers have been encouraged to contract for removal of 400 million trees under the Government diversification program. However, some of the anticipated reduction in the area devoted to coffee and sugarcane may be more than offset by improved yields and expanded output in other areas.

Livestock production for 1966 was the same as the 1965 level, with lower meat output offset by a rise in production of milk and wool. Per capita production of livestock products continued a downtrend in progress since 1962. The downtrend has been reflected in recurring shortages of market supplies, particularly of meat in the principal urban centers.

According to current estimates, numbers of cattle, hogs and sheep continued a rising trend during 1966 and a long wet season appeared generally favorable to pastures in most producing areas. The relatively high cost associated with a long production cycle for meat and with difficulties in marketing appeared to restrict the response of cattle

producers to a higher price level for meat. Beef and veal production, estimated at 1.3 million tons, was down 7 percent from a year earlier. Estimates of pork and mutton were almost unchanged from 1965 at 653,000 tons. More recent estimates place beef and veal output at 1.4 million tons, still slightly below 1965.

Improved pasture conditions and prices were generally favorable for milk production, which continued an uptrend of about 2 percent to a level of 6.3 million tons. The wool clip of 36,000 tons also was above 1965.

Foreign trade continued to rise in 1966 to provide a surplus of export earnings for the third successive year. Large carryover stocks from 1965 permitted an increase in coffee and other important agricultural commodities which usually make up more than 80 percent of total export earnings. Lower output of food commodities and trade liberalizations were reflected in larger agricultural imports in 1966. Despite the decline in 1966 agricultural production, the 1967 outlook is for a continued rise in Brazilian exports with a possible decline in imports of agricultural products.

Brazil exported its full quota specified by the International Coffee Agreement (ICA) for the period October 1965 through September 1966. Total 1966 coffee exports were estimated near 1.01 million tons, compared with 809,000 tons shipped in 1965. Brazil's coffee agreement quotas and prorations totaled 1,018,560 tons for 1965/66 but were 992,280 tons for 1966/67 as of February 21, 1967.

A large 1965 carryover and an expanded U.S. sugar quota allocation contributed to a continued rise in sugar sales with total 1966 exports forecast near 1.1 million tons, up 44 percent from the previous year. Cotton exports of 218,000 tons were down 4 percent with some increase anticipated during 1967. Cocoa beans were up one-fifth to 110,000 tons. Corn exports for 1966 were estimated at 610,000 tons compared with 560,000 for 1965. Rice exports of 250,000 tons were also higher and soybean shipments increased to a record 120,000 tons. U.S. agricultural imports from Brazil in 1966 were up 17 percent to $483.7 million.

Wheat imports for 1966 were near 2.5 million tons compared with 1.9 million tons a year before. Brazil also imported 62,000 tons of beans and larger quantities of other cereals and fruits to provide an adequate domestic food supply. U.S. agricultural exports to Brazil represented a recovery to levels prevailing in the 1960's from the low of $59.3 in 1965 to $101.2 million in 1966. Gains in cash sales of wheat were largely responsible for the recovery in U.S. agricultural exports. (Samuel O. Ruff)

CHILE

Expansion in minerals and an improved trade situation maintained a recovery trend in the Chilean economy during 1966. Output of the economy expanded by an estimated 5.5 percent in 1966, with gross national product climbing to $5.1 billion. Per capita product rose 2.9 percent to $570. This rate of growth is expected to be maintained in 1967.

Contributing to these gains in 1966 were increased returns from higher copper prices, expanded copper production, and a strong growth in fishmeal output. Expansion in business activity stimulated employment and greater use of excess capacity in the manufacturing sector but construction leveled off and agricultural production continued a slight decline. Of outstanding importance to the country's future was implementation of agreements with three U.S. copper companies. These are expected to result in investment of more than $530 million in mining over the next few years. With the added investment, copper production is expected to reach 1.2 million tons, about double current output.

A record $170 million trade surplus was estimated for 1966 as exports climbed about 34 percent and imports increased by 19 percent. Despite a very heavy debt repayment, gold and foreign exchange holdings were $34 million higher at the end of 1966 than at the end of 1965. The foreign exchange rate continued a decline during the year. The banker's future rate, which covers most trade transactions, dropped from 3.54 to 4.37 escudos, and

the broker's rate, used for most capital transactions, fell from 4.19 to 5.00 escudos to the dollar. The narrowing of the gap between these two rates in 1966 were indications of improved exchange stability. The increased availability of foreign exchange permitted the Government to reduce import restrictions on high-priority items such as agricultural machinery.

The money supply increased 38 percent in 1966, compared with 65 percent in 1965. The cost of living increased 17 percent during 1966 with some decline late in the year. This was below the 26 percent rise for 1965 but exceeded the price stabilization target of 15 percent. There was concern over the increase in prices of food, which exceeded other categories in the index.

Government action to achieve agricultural policy goals were principally in the price area. Control of retail prices was continued for most agricultural products. The Government policy of raising agricultural prices relative to industrial prices resulted in a rise in real farm prices estimated at 6 percent in 1966. Farm credit facilities were expanded and programs initiated to improve storage and marketing arrangements and to assure supplies of needed inputs. The Government attempted to strengthen land reform laws. It also indicated that the reform program would potentially affect a maximum of only 4,000 of the country's 260,000 agricultural properties, and that some of these large farms would be exempt from action because of the high quality of their management.

Despite higher producer prices the 1966 index of net agricultural production remained unchanged for the third successive year at 113 (1957-59 = 100). Food output was down nearly 1 percent in 1966 from a year earlier. Adverse weather reduced plantings and yields of some crops harvested early in 1966. Early rains and flooding also affected pastures in the important South Central Zone where fungus disease damaged grain and other crops in some areas.

Crop production was down about 1 percent in 1966 with the index estimated at 117. The area for principal crops declined about 6 percent, with reductions in wheat, potatoes, and pulses, and increases in corn, sugarbeets, and oilseeds. Wheat yields also were slightly lower and production dropped 8 percent to 1.2 million tons. The rice harvest declined 11 percent to 82,000 tons. Corn was about 13 percent higher. Bean production expanded one-third on a slightly smaller area, but other pulse crops were down sharply. Increased area and yields resulted in a near record harvest of sunflowerseed (58,000 tons) and a record output of rapeseed (65,000 tons). Production of sugarbeets, fruits, onions, and tobacco was well above the previous year.

Rains and flooding delayed planting of the 1967 wheat crop in some southern areas, but the seeded area for most crops is expected to be higher. A significant increase is expected for oats, potatoes, and pulses, and a continued rise may be anticipated for sugarbeets and oilseeds.

Livestock production was unchanged at an index of 108 in 1966. Output of beef and veal was down about 1 percent to 135,000 tons, but pork production climbed 1 percent to 48,000 tons. Low beef output resulted in part from restrictions placed on consumption to support a buildup in numbers. Mutton output was up 1 percent to 24,000 tons in response to higher demand as a beef substitute. The index does not reflect the recent rise in production of poultry meat which reached a record 35,000 tons in 1966, an increase of 25 percent from the previous year. Fluid milk production dropped 2 percent to 1.1 million tons. Total output of dairy products declined to 341,500 tons, with only powdered milk showing an increase. Wool production was nearly unchanged in 1966 at 25,500 tons, and a clip of 25,800 tons was forecast for 1967.

Foreign trade continued a strong recovery in 1966. Copper sales boosted total exports to a record $910 million and imports reached $740 million, based on balance-of-payments estimates.

Agricultural exports continued near the 1965 level with a moderate rise in grapes, melons, barley, and oats offset by reductions

in pulses, deciduous fruit, and onions. Agricultural imports, influenced by the decline in production since 1964 and Chilean efforts to restrict the rise in cost of living, were substantially above 1965 levels. In 1966, U.S. agricultural imports from Chile increased 15 percent to $7 million.

Wheat imports increased 50 percent to an estimated 450,000 tons and rice doubled to 20,000 tons in 1966. Corn imports increased from 12,000 tons in 1965 to an estimated 75,000 in 1966 to meet demands of the growing poultry industry. Cotton and meat imports recorded a moderate increase with some reduction for sugar, beverages and dairy products. The United States continued as a major supplier and U.S. agricultural exports to Chile increased from $31.6 million in 1965 to $41 million in 1966.

Imports of agricultural products in 1967 should be equal to or greater than in 1966. Trade forecasts indicate the following agricultural imports in 1967: Wheat, 600,000 to 700,000 tons; sugar, 150,000 tons; dairy products, mostly nonfat dried milk and butter fat or oil, 30,000 tons; and beef and veal, 20,000 tons. Imports of slaughter cattle may reach 40,000 head. (Richard M. Kennedy)

COLOMBIA

Changes in policies stimulated confidence and recovery in the Colombian economy during 1966. Preliminary estimates indicate a 5 percent rise in gross national product to approximate a per capita level of $294. Expanded investment may help maintain economic growth near the current rate in 1967, although tight money and credit and foreign exchange problems persist.

Government action to liberalize imports accompanied devaluation of the Colombian peso late in 1965. Removal of many essential products from the prohibited or strict license lists provided needed supplies for the manufacturing industries. Additional stimulus was provided by some relaxation of money and credit and by new and prospective investment, particulary in petroleum, fertilizer and related industries. A rise in industrial activity was supplemented by some improvement in the agricultural situation in 1966.

The cost of living increased by nearly 8 percent between January and September compared with about 4 percent during the same period in 1965. A significant rise in imports was not offset by exports and total gold and foreign exchange holdings declined from $130 million to $96 million between January and September 1966. A restricted supply of money and credit remains an important factor which may slow development.

Quantitative restrictions (licensing and prohibitions) were removed from 45 agricultural items including wheat, barley, oilseeds, and raw soybean oil in early 1966. Import liberalization also provided for gradual reduction of prior deposits beginning in November. However, import duties ranging from 30 to 50 percent of c.i.f. value and quantitative restrictions still apply to many important commodities. On November 29 the Government put into effect emergency foreign exchange controls, which resulted in the transfer of all agricultural items which were on the free list to the prior license list.

The new Colombian Administration which took office in August 1966 plans to maintain price controls as needed but will stress programs to increase production as the principal method of inflation control. These programs include price supports and technical assistance to producers of the important food crops. Colombian agreements, in 1966, with the U.S. Agency for International Development and the International Bank for Reconstruction and Development provided a total of $25 million for intermediate and long-term credit to assist small and medium sized cattle producers in improvement of breeding stock, pastures and equipment.

Agricultural conditions were generally favorable in 1966 although a delay in the rainy season resulted in an early drought in some areas. The index of agricultural production was estimated at 122, up from 1965

nearly 3 percent in total but unchanged on a per capita basis (1957-59 = 100). Food production increased nearly 1 percent. With a population of 18.5 million, growing at an annual rate near 3 percent, per capita food production continued the general downtrend in progress since 1962.

Crop production increased 2 percent in 1966. Production of grains and some other basic food crops was estimated below the 1965 level.

Wheat production decreased 11 percent to 125,000 tons due, in part, to a decline in harvested area. Insect problems encouraged some shift from rice to other crops and with lower yields, 1966 production dropped 6 percent to 630,000 tons. Government price support programs encouraged some rise in area for cotton and soybeans. The cotton harvest was 72,000 tons with cottonseed output of 160,000 tons, both about 9 percent above 1965. Soybean production continued to rise and the 1966 harvest was 60,000 tons, compared with 50,000 tons the previous year.

Growing conditions were ideal for coffee and 1966 production increased 8 percent to 492,000 tons. The 18,000-ton harvest of cocoa beans was up slightly from the 1965 record and well above the average for recent years, reflecting programs to eliminate imports of that commodity. Centrifugal sugar output of 490,000 tons was near the 1965 level. Tobacco production rose 5 percent to 42,000, with some increase in the area devoted to the dark export types.

Livestock production maintained a moderate uptrend typical of recent years. Total output of livestock products increased nearly 4 percent in 1966 with a slight rise in per capita production. Cattle slaughter recovered in 1966 and production of beef and veal was estimated at a record 382,000 tons, up almost 4 percent from the previous year. Pork increased 7 percent to 47,000 tons but production remains below the peak levels of 1959-63. Milk production for 1966 maintained a continued rise--in response to growing demand--to nearly 2 million tons, exceeding 1965 output by 2.9 percent. It is expected that new emphasis upon livestock production programs and some rise in prices may encourage a higher rate of growth in the livestock industry in the years ahead.

Foreign trade resulted in a deficit in 1966, according to preliminary estimates, in contrast to an export surplus realized the previous year. Exports were $525 million, compared with $539 million in 1965. In contrast, the value of imports was estimated up sharply to $600 million under new liberalization policies, compared to $454 million for the previous year.

Coffee exports for 1966 were estimated at 350,000 tons, up nearly 4 percent from 1965. Sugar shipments declined 17 percent and exports of cotton and rice were below levels of the previous year. Tobacco exports increased from a 1965 level of 11,000 tons to 15,000 tons in 1966 and the banana trade was estimated to exceed the 284,000 tons for 1965 by 6 percent. Cattle exports were above the 56,500 head shipped in 1965. U.S. agricultural imports from Colombia totaled $174.6 million, off 16 percent from a year earlier.

Agricultural products shared in the rise in total imports, relfecting the drop in per capita food production. Wheat imports were estimated at 250,000 tons compared with 240,000 in 1965. Barley purchases were up sharply to 30,000 tons, reflecting low carryover stocks from 1965. Imports of copra were estimated at 15,000, compared with 5,000 tons in 1965. Purchases of vegetable oil and animal fats also increased. Imports of cocoa beans and rubber were estimated at 15,000 and 6,000 tons, respectively, approximating the previous year's trade. U.S. agricultural exports to Colombia in 1966 totaled $32.5 million compared to $29.6 million in 1965.

Agricultural trade for 1967 is expected to stabilize near the 1966 levels. The Colombian quota and prorations for 1966/67 as of February 21 under the International Coffee Agreement were 325,260 tons, compared with 340,140 tons for 1965/66. An expansion in sugar and other important exports appears likely. Imports in 1967 may be restricted to conserve foreign exchange resources. (Gae A. Bennett)

ECUADOR

Foreign exchange and budget difficulties forced some adjustment in the Ecuadorian economy in 1966. Growth of the economy slowed, although investment and business activity for many sectors were maintained at favorable levels. Gross national product increased 3.9 percent to an estimated $1.1 billion, or $216 per capita. It is anticipated that monetary and trade adjustments may continue to restrict economic growth during the coming year.

A decline in export earnings reduced foreign exchange reserves to a very low level in early 1966. The new Administration which entered office in March 1966 cut back the large 1966 budget and arranged a standby loan of $11 million with the International Monetary Fund with additional private loans totaling about $24 million. With the new standby loan, total and foreign exchange reserves were increased from $46 million to $53 million from January through September 1966.

New and planned investments increased. Investment interest was focused on a wide variety of manufacturing fields, including food products and textiles, pharmaceuticals, forestry and petroleum products. New freezing and canning facilities are expected to strengthen Ecuador's growing fishery industry. In 1966, the Ecuadorian-American Leaf Tobacco Company was formed to grow light Viriginia and burley tobacco, primarily for the domestic market. A U.S.-financed hemp plantation developed plans to expand production to supply the domestic market and then enter the export field. Other private investment included feed processing and livestock slaughter facilities.

The Institute of Agrarian Reform and Colonization by the end of its second year's work in 1966 had distributed 399,000 hectares (986,000 acres) of land to 26,000 families. Ecuador's National Development Bank announced that it had financed the cultivation of 1,580 hectares of African oil palm during the previous 3 years. The Central Bank was authorized in June to pay rice exporters at a preferential rate of exchange. A resolution published November 7 by the National Banana Directorate made it mandatory for banana growers to switch from Gros Michel to Cavendish types of bananas preferred by European and American consumers.

The index of agricultural output for 1966 was estimated at 127 and the food production index at 124, both about 2 percent above 1965 (1957-59 = 100). However, per capita output declined from 1965 for both indexes.

Crop production for 1966 was influenced by adverse weather near midyear but total crop output was estimated about 2 percent above 1965. Higher prices encouraged larger rice plantings, and production increased 15 percent to 185,000 tons. Improved yields resulted in a significant increase in the important corn and barley crops to an estimated 180,000 and 82,000 tons respectively. Oilseed output continued to rise and production of vegetable oils increased 12 percent to about 5,000 tons. The potato harvest was affected by frosts in the central highlands and production was only 220,000 tons, a drop of nearly one-fourth from 1965.

The 1966 sugarcane harvest of 3.6 million tons represented a rise of almost 3 percent from 1965. Production of bananas for export increased 10 percent to 2.2 million tons due to an increase in area planted. Coffee production at 51,000 tons was 11 percent below the previous year and cocoa beans declined 15 percent to an estimated 40,000 tons due to heavy rainfall near harvest. Lower prices reduced the production of castor beans and weather was unfavorable for pyrethrium.

Livestock production was estimated at 2 percent above 1965. Beef and pork production totaled 65,000 tons in 1966, a rise of about 3 percent. Milk production increased less than 2 percent to 199,000 tons for 1966. There is wide interest in expanding production, especially of beef cattle, through better breeds and improved livestock operations. Some stimulus may be provided by the proposed new slaughterhouse facilities and a proposed World Bank (IBRD) loan of $4 million for livestock and forage

development. Some cattle which ordinarily would have been destined for slaughter were sold for higher prices in Peru during 1966.

Foreign trade deficits were reduced in 1966 with the recovery in exports from the low of $142 million estimated for 1965. Also, imports were estimated below the previous year total of $150 million due, in part, to Government surcharges and other restrictions. However, another trade deficit is expected in 1966 but it will be smaller than in 1965.

Trade in bananas, which accounts for more than one-half of total export earnings, was estimated at 1.2 million tons, up about 1 percent. Coffee exports for 1966 may be near 43,000 tons compared with the record of 47,000 tons the previous year. Shipments of cocoa beans were forecast at nearly one-fourth below the 39,000 tons for 1965, but sugar exports continued a rise to nearly 75,000 tons, with the rise in shipments reflecting a larger quota and prorations in the U.S. market. U.S. agricultural imports from Ecuador dropped 13 percent to $82.7 million, but remained above levels prevailing in the early 1960s.

Wheat imports continued to increase with the total estimated near 62,000 tons. Purchases of fats and oils were estimated near the previous year. Imports of U.S. cattle for breeding continued. U.S. agricultural exports to Ecuador increased from $10.6 million in 1965 to $11.8 million in 1966. (Gae A. Bennett)

GUYANA

With the return of stability under the coalition government, Guyana (formerly British Guiana) assumed the position of an independent British Commonwealth nation on May 26, 1966. Expansion of the bauxite industry and an improved agricultural situation maintained a strong economic growth rate in 1966. The gross national product was estimated near $205 million or $308 per capita, an increase of about 5 percent from 1965. Guyana is expected to maintain a favorable rate of development in 1967 despite some serious political and fiscal problems.

Agricultural production supported the economic uptrend. Despite some early drought, net agricultural and food output both increased 7.5 percent to respective indices of 143 and 144 (1957-59 = 100). This represents gains principally in the 310,000 ton rice crop and in centrifugal sugar which increased from 314,000 tons in 1965 to 335,000 tons in 1966. The coconut harvest recovered to a normal level of 26,000 tons. Citrus output increased to an estimated 12,500 tons; coffee output showed little change. Some gains were also likely in domestic food crops, including corn, other fruits, and vegetables. Beef and pork production continued to rise and total production was 4,800 tons, up more than 14 percent.

Foreign trade continued to rise in 1966, with both exports and imports exceeding respective 1965 values of $96 million and $104 million. For 1967, the major trade gain will be in sugar which makes up 28 percent of all exports and moves to higher valued markets in the United States and the British Commonwealth nations. Rice accounts for about 14 percent of the export trade. Guyana may continue to find it difficult to find markets for its indifferent quality and high cost rice, despite some improvement in the world price. Meat and dairy products, wheat flour, fruits, and vegetables will continue as principal agricultural imports in 1967. U.S. agricultural imports from Guyana were up 71 percent to $7 million; agricultural exports gained nearly one-third to reach $4.8 million. (Gae A. Bennett)

PARAGUAY

Economic growth in Paraguay slowed to about 4 percent in 1966 after reaching over 5 percent in 1965, with gross national product estimated at $512 million. Per capita product stood at $248 in 1966, up 1.2 percent from 1965. Similar increases are expected in 1967.

Heavy rains and flood damage to crops were primarily responsible for the economic slowdown in 1966. The value of production was affected by a drop in world prices for cotton, tung oil, and some other export products. Cattle slaughter for export declined due, in part, to

lower world beef prices. Timber operations picked up, but expansion was limited by floods. Textiles continued active in 1966, and a substantial expansion is expected in 1967 because of the reopening of two mills. Retail sales, strong throughout the first half of 1966, began to show the effects of reduced income to agricultural producers later in the year.

Rising imports and declining exports produced a small trade deficit in 1966, but gold and foreign exchange holdings increased about $3 million between January and October. The working class consumer price index increased less than 1 percent from January through October compared with an almost 4 percent rise during the same period in 1965. A 4.2 percent decline in the money supply was registered in the first seven months of 1966. Tax collections were up 5.4 percent while Government expenditures climbed 11.5 percent in the first half of 1966 compared with the first half of 1965.

The authorized capital of the National Development Bank was raised by the equivalent of $4.8 million, with $3.2 million of the increase destined for the Bank's Agricultural Department. A joint World Bank-International Development Association credit of $7.5 million was authorized for expansion of the livestock industry. A new export-oriented fruit cannery is now processing pineapples and grapefruit with plans for expansion into fruit juices.

Agricultural production for 1966 was affected by adverse weather conditions and by lower prices for some important agricultural products. The index of production was estimated at 114, compared with the record 119 achieved in 1965 (1957-59 = 100). Most production losses were in nonfood crops. Net food production was down almost 3 percent, reflecting moderate declines in food crops and livestock products.

The 1966 corn crop was up 4 percent in spite of wet weather at harvest time. Other basic food crops including sweetpotatoes, yuca, and beans responded to improved moisture with a moderate rise in output. Wheat was affected by wet weather at planting time, but production of 7,000 tons was above the 9-year low of 5,000 tons recorded for 1965.

A shift in area from tobacco to cotton, resulting from relatively favorable 1965 cotton prices, was offset by a sharp reduction in cotton yields. Output of cotton fiber and seed declined almost one-third and tobacco dropped from 18,000 tons in 1965 to 8,000 tons in 1966. The rapid expansion in soybeans was interrupted as production dropped one-fifth to 14,000 tons. Castor bean production increased slightly, and a record harvest of tung nuts more than doubled the output of tung oil in 1966 compared with 1965. Relatively large stocks and low prices encouraged some reduction in the harvested area for sugarcane, with further limitations anticipated for 1967.

Dissatisfaction with slaughter quotas and some weakening of the export meat price late in the year encouraged producers to withhold cattle from the market in 1966. However, beef and veal production was estimated 10 percent under the record 124,000 tons for 1965. Milk production, however, increased about 5 percent to 142,000 tons.

Foreign trade for 1966 reflected the reduced output of agricultural commodities which usually make up about 70 percent of total export earnings. Based on trade information available through the third quarter, a rather sharp drop in agricultural commodities was partially offset by a rise in forest products and processed goods. Total exports were estimated about 8 percent below the record $57 million for 1965. Imports were forecast 12 percent above the $52 million registered for the previous year.

Lower 1966 production resulted in a significant drop in exports of processed meat and meat products, cotton, tobacco and coffee. These were offset to some degree by a rise in shipments of hides and skins and vegetable oils. Agricultural imports, principally wheat and dairy products, increased slightly. U.S. agricultural exports to Paraguay for 1966 was $2.6 million compared with $1.4 million for 1965. U.S. agricultural imports from Paraguay dropped 7 percent from a year earlier to $10.1

million. U.S. agricultural trade with Paraguay will likely continue small due to Paraguay's close ties with Argentina. (Richard M. Kennedy)

PERU

The Peruvian economy continued a rising trend in 1966, despite a decline in agricultural output. Gross national product was forecast at $4.5 billion, a 6 percent rise from the previous year. Despite a continuing trade deficit and problems of inflation, growth of the economy in 1967 is expected to continue near the 1966 rate.

Economic growth during 1966 was supported by new or expanded investments, particularly in minerals and in the manufacturing and service industries. Exports resumed an uptrend in response to recovery of the fishmeal industry and a rise in foreign demand for Peruvian minerals, particularly copper. Increased economic activity was reflected in greater demand for goods and services. Imports for the period January through September 1966 were 28 percent above the 1965 level. Gold and foreign exchange holdings continued a decline from $175 million to $141 million during the same period. The rise in the cost-of-living index slowed from 12 percent in 1965 to an estimated 9 percent for 1966 in response to the Government's anti-inflationary program.

Agricultural policies continued to emphasize the maintenance of an adequate food supply, but increased attention was given to exports. The National Food Supply Corporation expanded its programs into more phases of food marketing, including the duty-free import of vegetable oils and some other food commodities and the operation of the Government-owned slaughterhouses. The Government also encouraged increased importation of livestock for breeding and removed taxes previously levied against exports of sugar and cotton.

Prolonged freezing temperatures and severe drought hit the altiplano of southern Peru and a large portion of the central highlands in early 1966. Total agricultural production declined over 2 percent to an index of 122 (1957-59 = 100). However, the 1966 food production index of 125 was less than 1 percent below 1965. On a per capita basis, agricultural production declined 6 percent and food 4 percent.

Crop production declined less than 2 percent in 1966. Due to drought, the wheat crop dropped 5 percent to 140,000 tons, and the corn harvest of 510,000 tons was down 4 percent. Extended cold weather and drought reduced the barley area and yields; production dropped 5 percent to 175,000 tons. Peru's important potato crop dropped 8 percent to an estimated 1.5 million tons. Producers expanded the rice area in response to higher support prices and production increased about 6 percent to an estimated 300,000 tons.

Lower prices encouraged some cotton producers to transfer land to more profitable food crops, and the harvested area declined for the second year. Cotton production was estimated at 109,000 tons, a reduction of 4 percent. A larger sugarcane area was harvested. The 1966 crop of 7.4 million tons of cane was only slightly higher than the previous year but, with improved yields, sugar output increased by 4 percent to 800,000 tons. Coffee output increased 2 percent in 1966 over a year earlier; tobacco was up 18 percent.

Livestock production for 1966 increased slightly over 1965 but the per capita index of 96 was down 3 percent (1957-59 = 100). Beef and veal production declined 9 percent to 70,000 tons due, in part, to a buildup of herds in some important producing areas. Milk maintained a slight rise with production estimated at 580,000 tons. Output of pork and mutton increased in 1966 with some decline in wool.

Foreign trade recovered in 1966 and January through September exports were $543 million compared with $509 million for the same period in 1965. Comparisons for the period indicate a 3 percent increase in the value of Peruvian fishmeal exports. Due principally to a higher world price, export earnings from copper were up 50 percent, and that commodity assumed first position in the total export trade. Cotton exports for 1966 increased

11 percent to 113,000 tons. With a larger U.S. quota, Peruvian sugar exports recovered with an increase of 5 percent to 430,000 tons. U.S. agricultural imports from Peru in 1966 were valued at $77.1 million, up 2 percent from a year earlier.

The value of January through September 1966 imports rose sharply to $599 million with a substantial increase in industrial supplies and equipment. Total value of agricultural imports for 1966 was estimated at $140 million in 1966 compared with $130 million in 1965. However, 1965 production and imports provided above-normal carryover stocks for some commodities. Wheat imports declined 6 percent to 437,000 tons. Foreign purchases of vegetable oils and other grains including rice and corn were also down. In contrast, imports of beef and dairy products continued an uptrend with some rise in cattle for breeding, animal fats, fruits and pulses. According to available estimates, the United States increased its share of the Peruvian market, approximating one-third of the total value of agricultural imports. U.S. agricultural exports to Peru were up 10 percent from a year earlier to $37.2 million.

Peruvian agricultural exports in 1967 are expected to continue near the 1966 level with some expansion in sugar and coffee and a possible decline in cotton and wool. Agricultural imports may move to higher though not record levels, but U.S. farm commodities will continue to face increased competition from Argentina, Australia, and other suppliers. (Samuel O. Ruff)

URUGUAY

An economic downturn continued into 1966 with some improvement later in the year as Uruguay undertook major political and financial reforms. The 1966 gross national product was estimated near the 1965 level of $1.4 billion with a per capita decline from $519 to $510. Some recovery in economic growth is expected in 1967 despite a continuing problem of inflation.

A cost of living rise of 88 percent in 1965 led the Government to impose restrictions in 1966 to stabilize the economy. Limitations on credit and Government expenditures were supplemented by Bank of the Republic devaluations of the official foreign exchange rate, in stages, from 59.9 pesos per U.S. dollar in December 1965 to 75.5 pesos per U.S. dollar in November 1966. The foreign debt was refinanced and a standby agreement was negotiated with the International Monetary Fund to ease pressure on foreign exchange reserve. In the November elections, the Uruguayan people approved replacement of its National Governing Council with the traditional presidential system.

Industry and business activities were affected by tightened restrictions upon credit and raw material imports, by continued labor unrest, and by some decline in agricultural output. However, the rise in the cost of living was reduced to about 49 percent in 1966. A more realistic exchange rate, indicated by disappearance of the spread between the official and parallel rates, permitted liberalization of some emergency import restrictions imposed in 1965. A trade surplus was achieved for the second successive year. However, gold and foreign exchange holdings declined by $2 million to $196 million between January and September 1966.

The National Governing Council approved a general development plan early in the year which is still under review by the Uruguayan Congress. However, the first part of a two-stage economic census called for by the plan was started in October. Export retention taxes were increased for meat, wool, hides, linseed oil, and sunflower oil to reduce export gains from the May devaluation of the exchange rate.

A reduction in Uruguay's output of livestock products more than offset some improvement in the crop situation during 1966. The index of net agricultural production declined nearly 1 percent and per capita output by about 2 percent (1957-59 = 100). An improved agricultural situation is expected in 1967 with recovery in livestock output.

Crop production was influenced by favorable moisture conditions in 1966 and total output was estimated 13 percent above the previous year. Early crops benefited from above-normal rainfall. Corn production recovered from a 1965 low of 63,000 tons to 180,000 tons in 1966 and, with increased plantings, sunflowerseed increased from 39,000 tons to an estimated 99,000 tons. There were also significant increases in potatoes and peanuts. However, wet weather at planting time and low prices resulted in a smaller wheat area and production declined 41 percent to 325,000 tons. Production of some other late harvested crops also declined, including oats, sugarbeets, and sugarcane.

Livestock production for 1966 was influenced by above-normal pasture conditions and some producer dissatisfaction with prices. Output of livestock products, which constitute over three-fourths of net agricultural production, declined by 5 percent. A buildup in cattle and sheep numbers continued following liquidations in early 1965. Beef and veal production fell off 12 percent to an estimated 300,000 tons with an 18 percent drop in mutton. A moderate recovery was estimated for wool and milk production, at 86,000 and 756,000 tons, respectively.

Foreign trade declined in total value in 1966 with exports estimated 5 percent below 1965 at $180 million and imports up 4 percent to $156 million. Exports of greasy and scoured wool declined 30 percent to an estimated 40,000 tons as the level of export retention taxes encouraged producers to hold wool from the 1966 clip. However, semiprocessed wool, principally tops, increased 27 percent to 13,000 tons and larger supplies permitted some rise in exports of wheat, rice and other products. Meat shipments fell an estimated 36 percent to 98,000 tons.

The buildup in cattle numbers and available wool supplies indicate a significant expansion in Uruguay's agricultural exports in 1967. Agricultural imports also may be increased due to reductions in 1966 production of wheat and sugar. U.S. agricultural imports from Uruguay in 1966 were down 15 percent from a year earlier to $22.9 million; agricultural exports increased 16 percent to $2.2 million. (Richard M. Kennedy)

VENEZUELA

A slowdown in the Venezuelan petroleum industry resulted in a mild economic recession in 1966. The gross national product was estimated at $8.1 billion or $895 per capita. It represented a rise of 5 percent compared with about 6 percent the previous year. Some recovery in petroleum is expected to stimulate a resumption of normal levels of economic activity during the coming year.

Government tax reform proposals and a decline in petroleum output created uncertainty which was reflected in a general business slowdown and some capital flight. Petroleum output for January through September 1966 declined 3 percent compared with the same period in 1965 and output of iron ore was up slightly. Capital flight and a slowing of exports were reflected in a January through September decline in gold and foreign exchange reserves from $843 million to $704 million. The Government continued to make foreign exchange available but imposed a more stringent rediscount polity which restrained investment. Late in 1966, an accord on taxes between Government and the petroleum industry paved the way for stable operating conditions over the next 5 years.

An anticipated relaxation of restrictions upon money and credit with a moderate rise in new and prospective investment took place in 1966. Venezuelan entry into the Latin American Free Trade Association on August 31 was received with mixed but generally favorable reactions. Special interest focused upon the August "Summit" conference of the Andean countries at Bogota, Colombia. The Conference emphasized economic integration and joint development programs of the participating countries.

Agricultural and trade policies continued to stress self-sufficiency in food production. A licensing requirement was placed on entry

of fresh fruit to stimulate demand for domestic tropical and semitropical products. The support price for medium- and short-grained rice was reduced to discourage a further increase in the present surplus and to encourage farmers to shift to long-grained rice. Work progressed on the planned development goal of adding 145,000 hectares of new irrigated land. A new plan is in progress to provide more uniform policies to stimulate expansion of the livestock industry.

Agricultural conditions were generally favorable, although dry weather affected yields of food crops in some highland areas. The index of net agricultural and food production was estimated at 155 and 168, respectively, up slightly from the previous year with both down about 2 percent on a per capita basis (1957-59 = 100).

Crop production for 1966 was slightly less than 1965. The harvested area for principal crops expanded slightly to near 1.4 million hectares with recorded gains largely in corn and beans. Corn production increased 7 percent to 557,000 tons. Germination problems affected rice yields, and the harvest was estimated about 18 percent below the 1965 record of 251,000 tons. Beans continued a rise to 48,000 tons in 1966 with tubers down somewhat. The 1966 sugarcane harvest was up 7 percent and favorable yields contributed to a larger sesame seed crop. Output of other crops, including coffee, cocoa beans, cotton and tobacco, were estimated near those for 1965.

Livestock production continued to rise in 1966 with a gain in output of principal products estimated over 2 percent. Increased cattle slaughter resulted in a 5 percent rise in beef and veal production during 1966. Upgrading of dairy herds and improved feeding maintained a slight rise in milk poutput, estimated at 670,000 tons. Expansion of the poultry industry provided larger supplies of poultry meat and eggs for the domestic market.

Foreign trade declined in 1966. Total exports were slightly below the 1965 level of $2.8 billion and imports were significantly reduced from the $1.5 billion total for 1965. Coffee exports were near the 1965 level of 18,000 tons. Sugar exports were up significantly due to a larger quota in the U.S. market. Shipments of cocoa beans declined. Venezuela increased rice exports to 64,000 tons on a barter basis, principally to Italy. Imports of wheat were estimated above the 552,000 tons purchased the previous year with some rise in cotton, pulses, and fruits and fruit preparations.

U.S. agricultural imports from Venezuela in 1966 increased one-fourth over a year earlier to $22.4 million. U.S. agricultural exports to Venezuela increased from $75.9 million in 1965 to $82.0 million in 1966. The U.S. share of the Venezuelan wheat market was estimated above 60 percent for the year. With growing consumer demand, Venezuelan imports of wheat and some other agricultural products should continue to rise. (Gae A. Bennett)

SOUTH AMERICAN DEPENDENCIES

The economies of Surinam and French Guiana are closely integrated with the Netherlands and France. Surinam's population of 365,000 depends upon production of bauxite and of agricultural commodities including rice, sugar, and bananas. French Guiana, with a population of 38,000, depends upon a limited production of agricultural commodities with the economy supplemented by relatively heavy French expenditures. Trade is largely with the mother countries, but the United States is also important, particularly as a source of supply for food products.

Surinam's economy continued to gain in 1966 with per capita income up slightly from the $350 estimated for 1965, reflecting some rise in output of bauxite and agricultural products. Trade remained in a deficit position despite some rise in exports.

Production of rice, the principal crop, was estimated up slightly to 90,000 tons with some increase in corn, peanuts, cassava, and vegetables. Banana production was estimated well above the 1965 harvest of 16,000 tons,

reflecting expanded planting encouraged by the Government. Sugar output increased. Production of oranges and grapefruit was near the previous year's level. Large quantities of fruit were left on the trees because the juice processing plant did not operate.

Agricultural trade increased slightly in 1966 accounting for about 10 percent and 15 percent of total exports and imports, respectively. Rice continued as the principal agricultural export, followed by sugar, and bananas assumed greater importance. Imports consist mainly of wheat flour, dairy products, meat and meat products, and fruits and vegetables.

French Guiana registered little economic progress in 1966. Per capita income, estimated near $300, was maintained largely through expenditures by the French Government to cover trade and fiscal deficits.

Agricultural production remains limited to an area of less than 3,500 hectares with output of rice, corn, cassava, sweetpotatoes, fruits and vegetables for local consumption. Sugarcane for the production of rum has declined, and the main distillery has discontinued operation. French Guiana continued a large trade deficit with exports less than $1 million and imports about $20 million. Food imports of nearly $6 million are mainly wheat flour, dairy products, meat and meat preparations, and fats and oils. (Gae A. Bennett)

Table 1.--Gross national product, gross national product per capita, foreign exchange and gold holdings, population and per capita food availability, selected years 1/

Country	Gross national product						Foreign exchange and gold holdings 2/			Population			Per capita food availability		
	Total			Per capita											
	1965 3/	1966 4/	Change	1965	1966	Change	1965	1966	Change	1958	1966	Annual change	Average 1956-58	Average 1959-61	Change
	Mil.dol.	Mil.dol.	Percent	Dol.	Dol.	Percent	Mil.dol.	Mil.dol.	Percent	Thou.	Thou.	Percent	Calories	Calories	Percent
Canada	48,169	51,059	6.0	2,457	2,559	4.2	3,027	2,710	-10.5	17,120	19,950	1.9	3,100	3,100	0
Mexico	19,416	20,678	6.5	454	468	3.1	534	486	-9.0	33,766	44,172	3.4	2,480	2,580	4.0
Cuba	3,050	2,850	-6.6	400	365	-8.7	n.a.	n.a.	n.a.	6,548	7,833	2.3	2,910	2,730	-6.2
Dominican Republic	960	989	3.0	265	264	-0.4	51	30	-41.2	2,826	3,749	3.6	2,020	2,020	0
Haiti	336	339	.9	72	71	-1.4	5/2	5/1	-50.0	3,979	4,767	2.3	1,830	1,780	-2.7
Jamaica	819	860	5.0	458	469	2.4	96	107	11.5	1,566	1,833	2.0	2,190	2,270	3.7
Trinidad & Tobago	628	653	4.0	644	650	0.9	26	25	-3.8	789	1,004	3.1	2,390	2,470	3.3
Caribbean	5,793	5,691	-1.8	310	297	-4.2	6/175	6/163	6/-6.9	15,708	19,186	2.6	7/2,380	7/2,300	-3.4
Costa Rica	591	629	6.4	394	404	2.5	20	18	-10.0	1,158	1,558	3.8	2,590	2,520	-2.7
El Salvador	794	845	6.4	272	281	3.3	56	54	-3.6	2,346	3,008	3.2	2,190	2,000	-8.7
Guatemala	1,410	1,496	6.1	305	314	3.0	68	73	7.4	3,679	4,770	3.3	2,080	1,970	-5.3
Honduras	504	534	6.0	223	229	2.7	23	37	60.9	1,823	2,333	3.1	2,190	2,330	6.4
Nicaragua	572	606	5.9	346	355	2.6	57	55	-3.5	1,330	1,705	3.2	2,330	2,190	-6.0
Panama	615	664	8.0	494	516	4.5	30	32	6.7	1,006	1,286	3.1	2,380	2,370	-0.4
Central America	4,486	4,774	6.4	316	326	3.2	254	269	5.9	11,342	14,660	3.3	7/2,230	7/2,150	-3.6
Argentina	13,456	13,320	-1.0	602	586	-2.7	236	260	10.2	19,979	22,710	1.6	3,290	3,220	-2.1
Bolivia	605	638	5.5	146	151	3.4	36	44	22.2	3,539	4 235	2.3	1,920	2,010	4.7
Brazil	15,832	16,101	1.7	194	192	-1.0	505	421	-16.6	66,209	83,953	3.0	2,610	2,710	3.8
Chile	4,865	5,133	5.5	554	570	2.9	138	145	5.1	7,415	9,007	2.5	2,670	2,610	-2.2
Colombia	5,187	5,446	5.0	288	294	2.1	130	96	-26.2	14,707	18,524	2.9	2,340	2,280	-2.6
Ecuador	1,089	1,132	3.9	214	216	0.9	46	53	15.2	4,065	5,250	3.3	2,060	2,100	1.9
Guyana	195	205	5.0	301	308	2.3	55	56	1.8	532	665	2.8	n.a.	n.a.	n.a.
Paraguay	492	512	4.0	245	248	1.2	10	11	10.0	1,687	2,061	2.5	2,490	2,400	-3.6
Peru	4,277	4,534	6.0	367	377	2.7	175	141	-19.4	9,483	12,012	3.0	1,900	2,060	8.4
Uruguay	1,408	1,404	-.3	519	510	-1.7	198	196	-1.0	2,464	2,753	1.4	2,950	3,030	2.7
Venezuela	7,691	8,076	5.0	832	895	1.5	843	704	-16.5	6,879	9,019	3.4	2,170	2,330	7.4
South America	55,097	56,501	2.5	333	332	-0.3	2,372	2,127	-10.3	136,959	170,189	2.8	7/2,580	7/2,630	1.9
Total Latin America	84,792	87,644	3.4	352	353	0.3	6/3,335	6/3,042	6/-8.8	197,775	248,207	2.9	7/2,530	7/2,570	1.6

1/ Includes only the 24 countries listed. Excludes U.S., British, French and Netherlands dependencies, territories and associated areas in the Hemisphere which had a total estimated population of 5.0 million in 1966, with an annual growth rate approximating 2.4 percent. 2/ Gold, foreign exchange, and reserves position in the International Monetary Fund end of 1965 and end of third-quarter 1966 except end of June for the Dominican Republic and Trinidad and Tobago. 3/ Preliminary estimates in current value converted to U.S. dollars at free or principal import rates of exchange. 4/ Forecasts using estimates of real growth applied to 1965 estimates. 5/ Foreign assets held by National Bank of Haiti. 6/ Excludes Cuba. 7/ Weighted average.

Sources: Economic Research Service, USDA; U.S. Agency for International Development; International Monetary Fund; and official Government reports.

Table 2.--Western Hemisphere: Indices of total and per capita agricultural production, averages 1955-64 and annual 1964-66

(1957-59 = 100)

Country	Total					Per capita				
	Average 1955-59 1/	Average 1960-64 1/	1964 1/	1965 1/	1966 2/	Average 1955-59 1/	Average 1960-64 1/	1964 1/	1965 1/	1966 2/
Canada	102	114	119	131	144	105	105	105	114	124
Mexico	96	119	131	140	141	99	104	107	111	108
Cuba	96	86	79	89	75	98	80	70	76	63
Dominican Republic	96	109	109	102	106	100	95	88	80	80
Haiti	101	95	88	90	88	103	87	77	77	73
Jamaica	99	119	128	132	133	101	112	115	116	114
Trinidad and Tobago	100	114	116	117	113	103	101	96	95	89
Caribbean	96	94	90	95	87	98	85	78	80	71
Costa Rica	91	116	111	110	125	94	101	89	85	93
El Salvador	98	127	143	125	133	101	112	119	101	104
Guatemala	95	131	144	163	162	98	114	119	130	125
Honduras	97	115	132	139	156	100	101	110	112	122
Nicaragua	100	126	152	148	165	103	112	127	119	129
Panama	95	105	119	133	128	98	94	99	107	100
Central America	96	123	138	139	148	99	108	114	111	114
Argentina	99	104	113	105	113	101	97	103	92	99
Bolivia	93	109	115	111	114	95	100	101	95	95
Brazil	95	113	108	137	119	97	100	90	111	94
Chile	97	105	113	113	113	100	95	98	95	93
Colombia	95	113	117	119	122	97	101	99	97	97
Ecuador	99	119	114	125	127	102	105	94	100	98
Guyana	95	119	118	133	143	98	107	100	109	114
Paraguay	96	110	115	119	114	98	100	99	100	93
Peru	96	120	131	125	122	98	107	110	102	96
Uruguay	104	113	122	119	118	106	106	112	108	106
Venezuela	96	127	144	154	155	100	111	118	121	118
South America	96	112	113	126	120	99	100	96	104	97
Latin America 3/	96	112	115	126	122	99	100	97	103	97

1/ Revised. 2/ Preliminary. 3/ Production for 23 countries shown.

Sources: Indices of Agricultural Production for the 20 Latin American Countries, ERS-Foreign 44 (Revised 1967), January 1967; Economic Research Service, USDA; and Canadian Department of Agriculture.

Table 3.--Latin America: Indices of total and per capita food production, averages 1955-64 and annual 1964-66

(1957-59 = 100)

Country	Total					Per capita				
	Average 1955-59 1/	Average 1960-64 1/	1964 1/	1965 1/	1966 2/	Average 1955-59 1/	Average 1960-64 1/	1964 1/	1965 1/	1966 2/
Mexico	95	119	132	141	148	98	104	108	112	113
Cuba	95	86	80	92	76	97	80	70	79	64
Dominican Republic	96	109	108	100	104	99	94	87	78	78
Haiti	102	98	87	88	91	104	90	76	75	76
Jamaica	99	120	128	131	131	101	113	115	115	112
Trinidad and Tobago	100	114	115	117	113	103	101	96	95	89
Caribbean	96	94	90	98	87	98	86	77	82	71
Costa Rica	95	113	120	103	119	98	97	96	79	88
El Salvador	100	114	121	124	135	103	101	101	100	105
Guatemala	97	121	136	137	153	100	106	112	109	118
Honduras	97	113	125	132	152	100	100	104	106	119
Nicaragua	100	113	119	123	129	103	100	99	99	101
Panama	96	104	119	134	129	99	93	99	108	101
Central America	98	114	124	126	137	101	100	102	101	106
Argentina	100	105	115	105	116	102	98	104	94	102
Bolivia	93	109	115	111	113	95	100	101	95	94
Brazil	97	120	129	144	133	100	107	108	117	105
Chile	97	105	114	114	113	100	95	99	96	93
Colombia	97	113	118	125	126	100	101	99	102	100
Ecuador	100	116	108	121	124	103	103	89	97	96
Guyana	95	120	118	134	144	98	107	100	110	115
Paraguay	96	105	108	112	109	98	96	93	94	89
Peru	97	116	127	126	125	100	103	107	103	99
Uruguay	106	115	128	127	124	107	109	118	115	111
Venezuela	96	133	154	166	168	100	116	126	131	128
South America	98	115	123	130	127	101	103	105	108	102
Latin America 3/	97	114	122	128	127	100	102	103	105	101

1/ Revised. 2/ Preliminary. 3/ Production for 23 countries shown.

Source: Indices of Agricultural Production for the 20 Latin American Countries, ERS-Foreign 44 (Revised 1967), January 1967.

Table 4.--Latin America: Indices of total and per capita crop production, averages 1955-64, annual 1964-66

(1957-59 = 100)

Country	Total					Per capita				
	Average 1955-59 1/	Average 1960-64 1/	1964 1/	1965 1/	1966 2/	Average 1955-59 1/	Average 1960-64 1/	1964 1/	1965 1/	1966 2/
Mexico	96	120	136	147	146	99	105	111	116	112
Cuba	95	86	75	92	74	97	80	66	79	62
Dominican Republic	96	109	108	100	104	99	95	87	78	78
Haiti	101	96	94	95	94	103	88	82	81	78
Jamaica	98	121	130	134	134	100	113	117	117	115
Trinidad and Tobago	100	113	115	115	108	104	100	96	93	85
Caribbean	96	95	89	99	87	98	86	77	83	71
Costa Rica	88	123	114	116	133	90	106	91	90	99
El Salvador	97	133	153	130	139	100	117	127	105	108
Guatemala	95	134	150	171	170	98	118	123	136	131
Honduras	96	116	135	142	161	99	102	112	114	126
Nicaragua	103	151	208	190	225	106	133	173	153	175
Panama	95	103	113	130	123	98	91	94	105	96
Central America	96	130	148	149	159	99	114	122	119	123
Argentina	98	110	131	114	118	100	103	119	102	104
Bolivia	93	111	119	110	115	95	102	104	94	96
Brazil	95	113	106	140	119	97	101	89	114	94
Chile	98	110	121	118	117	100	100	105	100	96
Colombia	95	114	119	121	124	98	102	100	98	98
Ecuador	100	118	113	124	126	103	105	94	99	98
Guyana	95	121	119	134	144	98	108	101	110	115
Paraguay	95	115	119	124	118	97	104	103	104	97
Peru	96	122	132	125	123	99	109	111	102	97
Uruguay	109	106	113	110	124	111	100	104	100	111
Venezuela	97	123	136	148	147	101	107	111	117	112
South America	96	114	115	132	121	99	102	98	109	97
Latin America 3/	96	114	118	132	124	99	102	100	108	99

1/ Revised. 2/ Preliminary. 3/ Production for 23 countries shown.

Source: Indices of Agricultural Production for the 20 Latin American Countries, ERS-Foreign 44 (Revised 1967), January 1967.

Table 5.--Latin America: Indices of total and per capita production of livestock products, averages, 1955-64, annual 1964-66 1/

(1957-59 = 100)

Country	Total					Per capita				
	Average 1955-59 2/	Average 1960-64 2/	1964 2/	1965 2/	1966 3/	Average 1955-59 2/	Average 1960-64 2/	1964 2/	1965 2/	1966 3/
Mexico	95	111	114	120	126	98	97	93	95	96
Cuba	98	86	88	81	78	100	79	78	70	65
Dominican Republic	97	110	112	109	111	100	96	91	85	84
Haiti	101	93	72	75	75	104	86	63	64	63
Jamaica	80	108	113	122	123	102	101	102	107	105
Trinidad and Tobago	93	124	122	131	147	96	109	101	106	116
Caribbean	98	90	91	86	84	100	82	79	72	69
Costa Rica	98	100	103	93	103	102	86	82	72	77
El Salvador	99	104	106	107	111	102	92	88	86	87
Guatemala	93	103	107	102	100	96	91	88	81	77
Honduras	97	110	115	120	121	100	97	96	97	95
Nicaragua	98	106	107	113	116	101	94	89	91	90
Panama	95	122	146	147	155	97	108	122	119	121
Central America	97	106	109	111	115	100	93	90	89	89
Argentina	100	97	92	95	108	102	90	83	85	95
Bolivia	94	106	110	112	112	96	97	96	96	94
Brazil	95	110	116	121	121	98	98	97	98	95
Chile	97	99	105	108	108	99	90	91	91	89
Colombia	95	109	113	114	118	97	97	95	93	94
Ecuador	92	122	131	135	138	95	107	109	108	107
Guyana	99	99	107	114	129	102	88	91	94	103
Paraguay	98	99	101	106	103	100	90	87	89	84
Peru	95	111	123	122	121	98	99	103	99	96
Uruguay	102	115	125	122	116	103	109	115	111	104
Venezuela	94	134	155	165	169	97	117	127	130	129
South America	97	106	109	113	117	100	95	93	93	94
Latin America 4/	97	106	109	112	116	100	95	92	92	92

1/ Livestock products include red meat, milk, and wool for most countries. For Mexico and Chile allowances have been made for international trade in live cattle. 2/ Revised. 3/ Preliminary. 4/ Production for 23 countries shown.

Source: Indices of Agricultural Production for the 20 Latin American Countries, ERS-Foreign 44 (Revised 1967), January 1967.

Table 6.--Western Hemisphere: Area and production of selected agricultural products by principal countries, averages 1955-64, annual 1965-66 1/

Commodity by country	Area 2/				Production			
	Average 1955-59	Average 1960-64	1965	1966	Average 1955-59	Average 1960-64	1965	1966
	1,000 hectares				1,000 tons			
Wheat:								
Canada	9,199	10,840	11,445	12,262	12,672	14,605	17,661	22,982
Mexico	896	783	832	635	1,215	1,519	2,000	1,550
Guatemala	34	33	45	37	21	23	30	31
Argentina	4,694	4,541	4,593	5,299	6,143	6,880	6,200	6,700
Brazil	1,012	498	311	364	662	243	230	300
Chile	806	853	850	784	1,100	1,181	1,276	1,172
Colombia	167	139	120	110	136	124	140	125
Peru	148	153	150	150	141	150	148	140
Uruguay	639	448	396	376	517	424	547	325
Other South America	76	74	65	67	95	121	103	123
Total Latin America	8,472	7,525	7,362	7,822	10,030	10,665	10,674	10,466
Rice, rough:								
Mexico	115	137	147	160	240	304	320	335
Caribbean	240	198	216	215	424	376	408	373
Central America	191	221	257	255	235	276	343	353
Argentina	55	55	68	48	181	178	268	165
Brazil	2,549	3,449	4,290	4,200	3,846	5,566	7,000	6,800
Colombia	196	260	375	367	364	542	672	630
Ecuador	70	106	95	100	137	173	161	185
Peru	66	83	70	81	254	332	284	300
Venezuela	36	67	105	105	39	111	200	165
Other South America	206	202	238	251	344	454	554	587
Total Latin America	3,669	4,778	5,861	5,782	6,064	8,312	10,210	9,893
Corn:								
Canada	208	206	304	312	780	913	1,515	1,603
Mexico	5,784	6,538	7,000	7,500	4,824	6,157	7,500	8,200
Caribbean	386	373	346	361	361	345	313	343
Guatemala	618	681	700	769	463	566	678	805
Honduras	331	389	416	420	242	301	352	423
Other Central America	483	477	524	547	417	475	490	597
Argentina	2,174	2,698	3,062	3,275	3,770	4,778	5,140	7,040
Brazil	5,939	7,396	8,771	7,733	7,322	9,436	12,112	10,013
Colombia	641	731	820	820	772	807	871	800
Peru	244	333	360	360	292	467	530	510
Uruguay	315	241	192	230	197	150	63	180
Venezuela	281	428	462	470	340	461	521	557
Other South America	n.a.	n.a.	n.a.	n.a.	717	801	889	999
Total Latin America	n.a.	n.a.	n.a.	n.a.	19,717	24,744	29,459	30,467
Beans, dry:								
Canada	28	28	35	37	32	38	54	54
Mexico	1,280	1,684	2,100	2,200	464	688	903	945
Caribbean	77	64	52	54	51	56	46	46
Central America	243	281	319	343	122	144	164	179
Brazil	2,262	2,794	3,273	3,499	1,488	1,816	2,290	1,559
Chile	84	92	87	85	77	90	74	100
Colombia	125	84	76	76	61	44	40	40
Venezuela	77	96	94	105	65	48	42	48
Other South America	148	176	104	195	117	201	156	150
Total Latin America	4,296	5,271	6,192	6,557	2,445	3,087	3,715	3,067

Footnotes at end of table.

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Table 6.--Western Hemisphere: Area and production of selected agricultural products by principal countries, averages 1955-64, annual 1965-66 1/--Continued

Commodity by country	Area 2/				Production			
	Average 1955-59	Average 1960-64	1965	1966	Average 1955-59	Average 1960-64	1965	1966
	1,000 hectares				1,000 tons			
Potatoes, white & sweet:								
Canada	125	119	121	133	1,842	2,086	2,109	2,585
Mexico	56	65	71	73	204	350	442	457
Caribbean	78	83	84	84	908	681	614	482
Central America	6	7	6	7	21	26	27	30
Argentina	224	217	248	212	1,705	1,976	2,830	1,846
Brazil	303	344	370	390	2,071	2,598	2,967	3,100
Chile	83	86	85	76	749	757	737	692
Colombia	102	55	65	65	638	714	900	900
Peru	236	256	302	304	1,279	1,428	1,808	1,690
Uruguay	34	32	40	50	144	171	228	270
Venezuela	25	27	31	31	152	200	242	230
Other South America	48	45	[illegible]	78	961	985	1,087	1,006
Total Latin America	1,195	1,217	1,388	1,370	8,832	9,886	11,882	10,703
Cotton:								
Mexico	919	827	793	708	443	480	572	457
Central America	146	255	382	297	88	192	256	256
Argentina	552	494	546	433	122	110	138	105
Brazil 3/	2,701	3,387	3,570	3,500	325	478	442	549
Colombia	91	160	166	172	35	73	66	72
Peru	238	262	243	223	113	138	114	109
Other South America	93	129	130	120	20	21	34	29
Total Latin America	4,740	5,514	5,830	5,453	1,146	1,492	1,622	1,577
Cottonseed:								
Mexico	919	827	793	708	885	961	1,143	914
Central America	146	255	382	297	187	389	559	523
Argentina	552	494	546	433	249	235	222	209
Brazil 3/	2,701	3,387	3,570	3,500	650	956	884	1,098
Colombia	91	160	166	172	76	163	145	160
Peru	238	262	243	223	251	306	254	242
Other South America	93	129	130	120	42	45	69	72
Total Latin America	4,740	5,514	5,830	5,453	2,340	3,055	3,276	3,218
Tobacco:								
Canada	52	49	40	53	75	89	77	102
Mexico	36	37	24	26	34	44	43	47
Caribbean	82	73	62	63	71	66	60	64
Central America	9	13	18	18	8	11	12	12
Argentina	36	44	48	47	33	48	53	42
Brazil	177	195	228	217	139	153	197	181
Colombia	22	18	25	23	36	35	40	42
Other South America	17	27	27	22	21	34	35	27
Total Latin America	379	407	432	416	342	391	440	415

1/ Time reference is calendar year to include crop harvested mainly in each year. Latin American totals include available data for the 20 Latin American countries plus Guyana, Jamaica, and Trinidad and Tobago. 2/ Harvested area insofar as possible. 3/ Area includes considerable interplanting with other crops.

Sources: Economic Research Service, USDA; and Foreign Agricultural Service, USDA.

Table 7.--Western Hemisphere: Production of selected agricultural products by principal countries, averages 1955-64, annual 1965-66 1/

Commodity by country	Production			
	Average 1955-59	Average 1960-64	1965	1966
	1,000 tons			
Sugar, centrifugal (raw):				
Canada	137	141	131	126
Mexico	1,067	1,623	2,068	2,104
Cuba	5,340	5,051	5,988	4,490
Other Caribbean	1,744	2,067	1,921	1,941
Central America	209	403	550	619
Argentina	822	861	1,290	900
Brazil	2,816	3,461	4,834	4,134
Colombia	258	376	482	490
Peru	695	802	769	800
Venezuela	178	263	376	376
Other South America	477	678	840	809
Total Latin America	13,606	15,585	19,118	16,663
Bananas:				
Mexico	500	671	779	978
Caribbean	644	719	661	667
Costa Rica	410	483	567	680
Honduras	800	903	1,104	1,270
Panama	443	442	530	550
Other Central America	165	179	78	148
Brazil	2,953	3,832	4,537	4,745
Colombia	525	576	590	590
Ecuador 2/	1,830	2,072	2,000	2,200
Other South America	1,109	1,353	1,445	1,513
Total Latin America	9,379	11,230	12,291	13,341
Coffee:				
Mexico	103	146	180	174
Caribbean	118	114	106	105
Central America	256	329	354	373
Brazil	1,698	1,550	2,244	1,260
Colombia	402	470	456	492
Other South America	102	146	164	157
Total Latin America	2,679	2,755	3,504	2,561
Cocoa beans:				
Mexico	14	20	22	24
Dominican Republic	34	37	34	34
Other Caribbean	16	14	13	14
Central America	11	12	10	10
Brazil	173	118	171	155
Other South America	61	79	87	78
Total Latin America	309	280	337	315

Footnotes at end of table.

--Continued

Table 7.--Western Hemisphere: Production of selected agricultural products by principal countries, averages 1955-6 , annual 1965-66 1/--Continued

Commodity by country	Production			
	Average 1955-59	Average 1960-64	1965	1966
	1,000 tons			
Yuca (cassava):				
Caribbean	161	198	206	215
Argentina	273	243	260	234
Brazil	15,515	20,424	25,000	20,000
Colombia	699	722	800	800
Paraguay	1,408	1,511	1,462	1,521
Peru	280	397	517	540
Venezuela	187	336	375	370
Other South America	90	103	112	110
Total Latin America	18,613	23,934	28,732	23,790
Milk:				
Canada	7,783	8,292	8,328	8,335
Mexico	3,522	4,012	4,309	4 355
Caribbean	969	935	802	792
Central America	978	1,106	1,213	1,245
Argentina	4,711	4,640	4,634	4,677
Brazil	4,400	5,398	6,149	6,250
Chile	862	989	1,088	1,070
Colombia	1,569	1,799	1,905	1,960
Peru	424	493	573	580
Uruguay	654	746	736	756
Venezuela	367	513	665	670
Other South America	367	425	443	453
Total Latin America	18,823	21,056	22,517	22,808
Beef and veal:				
Canada	596	677	813	819
Mexico	385	456	500	510
Caribbean	227	207	214	211
Central America	139	152	138	145
Argentina	2,313	2,206	2,088	2,400
Brazil	1,332	1,376	1,403	1,300
Colombia	301	350	369	382
Uruguay	249	310	341	300
Other South America	480	550	592	584
Total Latin America	5,426	5,607	5,640	5,829

Footnotes at end of table.

Table 7.--Western Hemisphere: Production of selected agricultural products by principal countries, averages 1955-64, annual 1965-66 1/-- Continued

Commodity by country	Production			
	Average 1955-59	Average 1960-64	1965	1966
	1,000 tons			
Pork:				
Canada	444	451	467	431
Mexico	184	198	213	218
Caribbean	66	56	54	52
Central America	39	38	38	43
Argentina	180	168	196	260
Brazil	458	550	600	600
Other South America	187	202	232	241
Total Latin America	1,114	1,212	1,333	1,414
Wool:				
Mexico	4	5	6	6
Argentina	182	187	195	200
Uruguay	81	85	84	86
Other South America	62	58	68	72
Total Latin America	329	335	353	364

1/ Time reference is calendar year to include crop harvested mainly in each year. Latin American totals include available data for the 20 Latin American countries plus Guyana, Jamaica, and Trinidad and Tobago. 2/ Exportable-type only.

Sources: Economic Research Service and Foreign Agricultural Service, USDA.

Table 8.--Exports and imports of selected agricultural commodities by principal countries, average 1955-59, annual 1964-66

Exports by country	Average 1955-59	1964 1/	1965 2/	1966 3/
	1,000 tons			
Wheat: 4/				
Canada	7,892	15,012	12,731	14,969
Mexico	5/	576	685	50
Argentina	2,708	3,729	6,676	5,111
Other Latin America	298	0	81	104
Total Latin America	3,006	4,305	7,442	5,265
Rice, milled:				
Argentina	32	7	36	33
Brazil	33	12	237	250
Ecuador	23	11	0	15
Guyana	42	79	95	100
Uruguay	12	26	21	65
Surinam	13	14	20	21
Other Latin America	9	3	4	4
Total Latin America	164	152	413	488
Corn:				
Mexico	13	282	1,347	1,000
Honduras	12	52	65	65
Argentina	1,316	3,338	2,802	3,748
Brazil	16	62	560	610
Other Latin America	52	17	25	7
Total Latin America	1,409	3,751	4,799	5,430
Sugar (raw value):				
Mexico	108	524	527	550
Cuba	5,194	4,176	5,315	4,000
Dominican Republic	675	650	522	575
Jamaica	316	424	437	400
Trinidad & Tobago	154	197	216	200
Other Caribbean	436	441	481	523
Central America	34	218	195	226
Brazil	502	253	763	1,100
Colombia	18	33	108	90
Guyana	264	239	273	300
Peru	463	425	411	430
Other Latin America	89	125	192	156
Total Latin America	8,253	7,705	9,440	8,550
Bananas:				
Jamaica	146	177	203	200
Other Caribbean except Cuba	294	364	493	450
Costa Rica	277	346	489	588
Honduras	341	344	600	720
Panama	275	291	310	400
Other Central America	133	102	44	84
Brazil	220	225	215	218
Colombia	210	212	284	300
Ecuador	816	1,433	1,187	1,200
Other Latin America	27	14	13	12
Total Latin America	2,739	3,508	3,838	4,172

Imports by country	Average 1955-59	1964 1/	1965 2/	1966 3/
	1,000 tons			
Wheat: 4/				
Cuba	234	517	457	460
Jamaica	115	121	127	130
Central America	205	266	250	273
Brazil	1,641	2,621	1,988	2,487
Chile	135	231	299	450
Colombia	113	177	240	250
Peru	304	392	463	437
Venezuela	270	539	552	600
Other Latin America	542	717	639	618
Total Latin America	3,559	5,581	4,915	5,705
Rice, milled:				
Canada	35	50	67	54
Cuba	166	286	275	270
Jamaica	18	27	34	34
Trinidad & Tobago	23	30	31	30
Other Caribbean	33	45	40	40
Chile	3	7	10	20
Peru	17	48	92	90
Other Latin America	45	52	45	77
Total Latin America	305	495	537	561
Corn:				
Canada	242	528	462	508
Mexico	363	35	11	2
Cuba	19	232	200	205
El Salvador	19	37	58	30
Other Latin America	52	6/365	134	208
Total Latin America	453	669	403	445
Sugar (raw value):				
Canada	650	767	838	907
Chile	213	151	209	205
Uruguay	80	40	40	40
Other Latin America	126	23	23	17
Total Latin America	419	214	272	262
Bananas:				
Canada	143	157	167	172
Argentina	200	167	170	175
Chile	17	29	30	30
Uruguay	17	34	30	30
Other Latin America	5/	5/	5/	5/
Total Latin America	234	230	230	235

Footnotes at end of table.

Table 8.--Exports and imports of selected agricultural commodities by principal countries, average 1955-59, annual 1964-66--Continued

Exports by country	Average 1955-59	1964 1/	1965 2/	1966 3/
	1,000 tons			
Apples, fresh:				
Canada	48	66	62	61
Argentina	95	134	253	195
Other Latin America	8	13	20	20
Total Latin America	103	147	273	215
Soybeans:				
Canada	49	52	83	73
Brazil	37	0	76	120
Other Latin America	0	0	0	0
Total Latin America	37	0	76	120
Soybean oil: 7/				
Canada	12	11	16	14
Cottonseed:				
Nicaragua	66	115	138	140
Other Latin America	8	40	34	20
Total Latin America	74	155	172	160
Meat, excl. poultry: 8/				
Canada	51	47	76	80
Mexico	22	32	28	34
Costa Rica	5/	13	7	10
Guatemala	5/	7	9	9
Honduras	5/	5	9	7
Nicaragua	5/	16	14	15
Argentina	631	652	519	595
Brazil	44	37	71	64
Paraguay	15	24	25	25
Uruguay	49	154	120	95
Other Latin America	4	2	3	3
Total Latin America	765	942	805	857
Wool (actual weight):				
Argentina	109	92	122	155
Uruguay	48	22	57	40
Other Latin America	14	30	24	24
Total Latin America	171	144	203	219
Coffee, green:				
Mexico	80	101	78	95
Costa Rica	34	51	48	50
El Salvador	77	109	101	89
Guatemala	68	77	95	118
Honduras	12	19	24	20
Nicaragua	20	23	26	26
Brazil	902	897	809	1,012
Colombia	331	385	338	350
Ecuador	26	25	47	43
Peru	12	42	35	32
Other Latin America	94	99	84	90
Total Latin America	1,656	1,828	1,685	1,925

Imports by country	Average 1955-59	1964 1/	1965 2/	1966 3/
	1,000 tons			
Apples, fresh:				
Canada	22	28	31	33
Brazil	31	39	60	61
Other Latin America	22	32	22	23
Total Latin America	53	71	82	84
Soybeans:				
Canada	284	498	432	463
Other Latin America	11	50	23	37
Total Latin America	11	50	23	37
Soybean oil: 7				
Canada	12	16	14	11
Chile	9	10	7	6
Peru	2	8	14	6
Other Latin America	19	24	18	19
Total Latin America	30	42	39	31
Cottonseed:				
Mexico	4	1	1	1
Other Latin America	6	3	2	2
Total Latin America	10	4	3	3
Meat, excl. poultry: 8/				
Canada	31	63	44	40
Other Latin America	36	29	22	20
Total Latin America	36	29	22	20
Wool (actual weight):				
Canada	9	9	9	10
Mexico	4	11	14	16
Other Latin America	1	8	7	7
Total Latin America	5	19	21	23
Coffee, green:				
Canada	53	76	77	78
Argentina	30	31	30	30
Other Latin America	9	11	13	12
Total Latin America	39	42	43	42

--Continued

Table 8.--Exports and imports of selected agricultural commodities by principal countries, average 1955-59, annual 1964-66 Continued

Exports by country	Average 1955-59	1964 1/	1965 2/	1966 3/	Imports by country	Average 1955-59	1964 1/	1965 2/	1966 3/
	1,000 tons					1,000 tons			
Cocoa beans:					Cocoa beans:				
Mexico.	5	3	9	6	Canada.	12	18	23	25
Dominican Republic.	22	26	24	25					
Other Caribbean . .	8	7	2	5	Colombia.	9	10	14	15
Central America . .	10	10	9	8	Other Latin America	9	11	14	10
Brazil.	108	75	92	110	Total Latin America	18	21	28	25
Ecuador	27	27	39	30					
Venezuela	15	12	12	11					
Other Latin America	5	3	9	12					
Total Latin America	200	163	196	207					
Cotton: 9/					Cotton: 9/				
Mexico.	343	310	352	463	Canada.	76	102	88	94
El Salvador	32	66	56	54					
Guatemala	10	59	61	79	Cuba.	7	11	14	20
Nicaragua	43	88	124	109	Chile	17	26	33	30
Brazil.	91	223	226	218	Other Latin America	28	31	36	54
Peru.	96	111	102	113	Total Latin America	52	68	83	104
Other Latin America	17	52	34	37					
Total Latin America	632	909	955	1,073					
Sisal & henequen: 10/					Sisal & henequen: 10/				
Mexico.	26	22	36	35	Canada.	35	39	39	45
Haiti	34	17	14	15					
Brazil.	99	136	150	140	Other Latin America	5	3	3	3
Other Latin America	3	1	1	1	Total Latin America	5	3	3	3
Total Latin America	162	176	201	191					
Tobacco:					Tobacco:				
Canada.	17	24	19	16	Uruguay	4	5	3	3
					Other Latin America	8	11	10	7
Cuba.	24	14	14	14	Total Latin America	12	16	13	10
Dominican Republic.	12	25	15	8					
Brazil.	29	60	55	42					
Colombia.	5	16	11	15					
Paraguay.	3	13	15	11					
Other Latin America	4	23	20	14					
Total Latin America	77	151	130	104					

1/ Revised. 2/ Preliminary. 3/ Estimated. 4/ Includes flour in wheat equivalent. 5/ Less than 500 tons. 6/ Includes imports for Uruguay and Venezuela of 5,000 tons, average 1955-59, but reached a total of 218,000 tons for 1964. 7/ Crude and refined. No significant exporters in Latin America. 8/ Carcass weight equivalent basis. 9/ Marketing year August-July; average 1955-59 is 1955/56-1959/60; 1964 is 1963/64; 1965 is 1964/65; 1966 is 1965/66. Converted from bales of 480 pounds net weight. 10/ Includes other agave fibers.

Sources: Economic Research Service, USDA; Foreign Agricultural Service, USDA; U.N. Food and Agriculture Organization; and official government reports.

Table 9.--International agricultural commodity agreements of Western Hemisphere countries: Wheat agreement votes by members, coffee agreement export quotas, and U.S. sugar import quotas 1/

Country	Wheat agreement vote distribution of members 2/		Coffee agreement export quotas		U.S. sugar import quotas 3/	
	Exporters	Importers	1965/66 4/	1966/67 5/	1966 6/	1967 7/
	- - - - Number - - - -		- - 1,000 bags 8/		- - 1,000 tons - -	
Canada	290					
United States	290					
Mexico	5		1,423	1,361	444	378
Cuba		12	189	180	-	-
Dominican Republic		2	419	397	547	370
Haiti			411	386	24	21
Jamaica			-	25	9/	9/
Trinidad and Tobago			66	65	9/	9/
Caribbean		14	1,085	1,053	571	391
Costa Rica		3	896	857	65	45
El Salvador		2	1,461	1,418	40	28
Guatemala		3	1,336	1,263	55	38
Honduras			10/269	379	9/	9/
Nicaragua			429	420	17	45
Panama			25	24	12	27
Central America		8	4,416	4,361	189	183
Argentina	70				53	46
Bolivia			10/25	10/24	4	4
Brazil		27	16,976	16,538	433	370
Chile			-	-	-	-
Colombia			5,669	5,421	46	39
Ecuador		2	546	521	63	54
Guyana			-	-	9/	9/
Paraguay			-	-	-	-
Peru		11	555	547	346	295
Uruguay			-	-	-	-
Venezuela		14	448	428	22	19
South America	70	54	24,219	23,479	967	827
British Honduras					12	10
Other British dependencies					160	139
French dependencies					50	44
Western Hemisphere dependencies					222	193
Total Western Hemisphere	655	76	31,143	30,254	2,393	1,972
Total World	1,000	1,000	44,904	44,208	3,932	3,417
Hemisphere as percentage of world total	66	8	69	68	61	58

1/ The Producers International Cocoa Agreement, of which Brazil was the only Hemisphere member, is no longer operating. Agreement years are: Wheat, August 1-July 31; and coffee, October 1-September 30. Sugar is on a calendar year basis. 2/ As of the beginning of the 1966-67 marketing year the vote distribution roughly depicts the relative volume of commercial exports or imports. 3/ Foreign sugar quota including the Philippines. 4/ Final 1965/66 quota. 5/ Total effective quotas as of February 21, 1967. 6/ Total quotas and prorations. 7/ Quotas plus prorations as of February 2, 1967. 8/ Bags of 60 kilograms or 132.276 pounds. 9/ These countries share in quotas listed for other British dependencies. 10/ Nonmember. **Sources: Foreign Agricultural Service, USDA; and Annual Report 1955/56, International Wheat Council.**

Table 10.--Prices and price indices for selected agricultural commodities, averages 1955-64, annual 1965-66

Commodity	Type of quotation	Unit	Prices 1/				Price indices (1955-59=100)		
			Average 1955-59	Average 1960-64	1965	1966	Average 1960-64	1965	1966 2/
			Dollars						
Apples, U.S.	Unit value of exports	100 lbs.	8.06	8.82	8.93	9.53 (Jan.-Oct.)	109	111	118
Bananas, Central America	f.o.b. U.S. ports	do	7.37	6.83	7.23	7.40 (Jan.-July)	93	98	100
Beef, English longsides	London price	do	28.57	29.29	36.72	35.66 (Jan.Oct.)	102	128	125
Cacao, Brazilian	Unit value of exports	do	31.95	21.76	13.66	17.91 (Jan.-Mar.)	68	43	56
Ghanaian	Spot, ex-warehouse New York	do	34.48	24.15	17.68	24.28 (Jan.-Oct.)	70	51	70
Coffee, Colombian MAMs	New York price	do	59.98	43.52	48.49	48.22 (Jan.-Oct.)	73	81	80
Brazil, Santos #4	do	do	52.00	37.61	44.78	37.14 (Jan.-Oct.)	72	86	71
Corn, U.S. No. 3 yellow 3/	c.i.f. United Kingdom	Ton	63.20	59.00	64.20	64.90 (Jan.-Sept.)	93	102	103
Argentine	do	do	69.40	60.80	70.60	70.60 (Jan.-Sept.)	88	102	102
Cotton, SMI 1-1/16 4/	c.i.f. Liverpool	100 lbs.	34.27	30.45	29.27	27.75 (Aug.-Sept.)	89	85	81
Oranges and tangerines, U.S.	Unit value of exports	do	6.67	8.72	8.58	8.29 (Jan.-Oct.)	131	129	124
Rice, U.S. milled 5/	f.o.b. New Orleans	do	9.16	8.80	8.30	8.27 (Jan.-Oct.)	96	91	90
Soybeans, U.S. No. 2 6/	Bulk, f.i.f. United Kingdom	Ton	101.20	108.40	123.50	n.a.	107	122	n.a.
Soybean, oil, U.S. bulk	Ex-tank, c.i.f. Rotterdam	do	290.60	237.60	270.00	265.70 (Jan.-Sept.)	82	93	91
Sugar, Caribbean 96°.	f.o.b. ship	100 lbs.	3.67	4.68	2.12	1.94 (Jan.-Oct.)	128	58	53
do	Duty paid price in New York	do	6.18	6.82	6.80	6.97 (Jan.-Oct.)	110	110	113
Tobacco, U.S. leaf	Average price to producers	do	55.02	59.44	59.40	64.50 (Jan.-Oct.)	108	108	117
Wheat, U.S. No. 2 H.W.	f.o.b. Kansas City	Bushel	2.15	2.04	1.56	1.77 (Jan.-Oct.)	95	73	82
Canada, Manitobe #1.	f.o.b. Ft. William/Pt.Arthur	do	1.73	1.80	1.80	1.91 (Jan.-Oct.)	104	104	110
Argentine	Unit value of exports	do	1.66	1.68	1.52	1.49 (Jan.-Mar.)	101	92	90
Wool, U.S. raw 47's	Boston price	100 lbs.	56.26	59.92	63.50	63.08 (Jan.-Oct.)	106	113	112
Argentine greasy	Unit value of exports	do	46.06	44.68	36.20	34.56 (Jan.-May)	97	79	75
U.N. Export Price Indices 7/									
Food							96	99	100
Agricultural nonfood							94	95	98
Total agricultural							95	97	99
Fuels (mostly petroleum)							93	95	95
Non-ferrous base metals (copper, zinc, lead, aluminum, etc.)							97	130	153
Manufactured goods							104	108	110

1/ Simple averages of monthly quotations. 2/ Covers period in 1966 shown by prices for individual commodities and January-September U.S. export price indices. 3/ U.S. No. 2, soft yellow prior to November 1962. Five-year averages are calculated on crop year basis: U.S., October-September; Argentina, April-March. Averages for 1965 and 1966 are based on calendar years. 4/ Memphis area. Average prices based on crop years, August-July. 5/ Zenith No. 2, miller to distributor. 6/ Average prices based on crop year, October-September. 7/ Adjusted to 1955-59 base. Total agricultural is an average of U.N. food (0.54) and agricultural nonfood (0.46) export price indices.

Sources: Prices for beef, cocoa, coffee, rice, sugar, tobacco, wheat, and wool are from I.M.F. International Financial Statistics; prices for bananas, corn, soybeans, and soybean oil are from F.A.O. Monthly Bulletin of Agricultural Economics and Statistics; unit values of exports of apples and of oranges and tangerines are from ERS, USDA Foreign Agricultural Trade of the U.S.; cotton prices are from International Cotton Advisory Committee's Cotton-World Statistics; U.N. agricultural export price indices were calculated from data in U.N. Monthly Bulletin of Statistics.

Table 11.--U.S. agricultural trade with Western Hemisphere countries and dependencies by value, averages 1955-64, annual 1964-66

Country	U.S. exports					U.S. imports				
	Average 1955-59	Average 1960-64	1964	1965	1966 1/	Average 1955-59	Average 1960-64	1964	1965	1966 1/
	Million dollars									
Canada 2/	341.3	529.3	615.1	619.7	626.1	203.5	180.0	175.8	234.2	240.2
Mexico	77.9	67.6	75.3	86.8	73.4	181.4	260.2	292.3	275.8	327.6
Cuba 3/	131.1	22.8	0	0	0	404.6	70.8	4.6	2.6	1.6
Dominican Republic	5.5	13.3	28.8	24.2	21.5	59.5	109.6	111.1	98.9	116.4
Haiti	7.7	7.9	9.0	9.7	8.0	14.1	14.8	15.7	13.4	12.7
Jamaica	7.7	13.5	20.1	20.8	22.3	2.8	14.7	16.1	13.3	17.5
Trinidad and Tobago	5.5	10.2	10.3	9.5	11.2	4.3	7.9	5.9	7.1	4.6
Antilles (Neth.)	8.7	9.1	10.3	9.8	11.1	.3	.1	4/	.1	.3
Bahamas (Br.)	4.1	8.7	11.3	13.5	17.6	.1	1.8	3.7	2.5	1.7
Barbados (Br.)	.9	1.9	1.9	2.0	2.7	1.0	1.5	1.9	2.4	.6
Bermuda (Br.)	4.1	5.5	6.0	6.1	7.0	4/	.2	4/	4/	4/
Leeward and Windward Is. (Br.)	1.0	1.8	2.2	2.6	3.8	1.7	1.0	.9	1.8	1.7
West Indies (Fr.)	.2	.8	1.3	1.9	2.0	.3	6.9	6.2	6.9	6.8
Caribbean	176.6	95.5	101.2	100.1	107.2	488.7	229.3	166.1	149.0	163.9
Costa Rica	6.0	5.6	6.6	6.1	5.8	27.8	39.5	50.3	54.3	57.0
El Salvador	6.1	6.8	8.3	8.1	9.3	49.5	34.3	38.9	43.9	37.9
Guatemala	9.8	10.0	10.9	10.8	12.8	66.6	57.6	57.8	62.0	76.8
Honduras	4.1	4.1	4.7	5.0	5.8	23.6	29.3	35.6	64.7	76.3
Nicaragua	3.5	4.5	7.1	7.2	8.2	18.6	25.1	29.4	31.1	24.1
Panama	9.8	10.6	12.1	14.5	17.0	15.7	16.4	25.2	36.8	45.0
British Honduras	1.2	2.0	2.2	2.3	2.5	.1	1.7	6.1	1.7	2.2
Canal Zone	4.5	.6	.5	0	0	.3	.1	4/	.1	.2
Central America	45.0	44.2	52.4	45.0	61.4	202.2	204.0	243.3	294.6	319.5
Argentina	7.7	3.7	7.6	7.6	5.0	107.0	95.0	79.6	91.2	109.0
Bolivia	10.0	10.7	15.2	10.2	9.0	1.6	1.9	2.7	2.2	3.2
Brazil	36.6	100.0	147.1	59.3	101.2	590.8	481.1	471.2	413.3	483.7
Chile	18.2	27.2	31.0	31.6	41.0	4.6	5.5	7.4	6.1	7.0
Colombia	27.9	25.5	27.5	29.6	32.5	344.9	229.8	230.6	208.3	174.6
Ecuador	5.6	7.9	12.6	10.5	11.8	50.1	62.9	77.7	95.4	82.7
Guyana	2.5	3.5	4.1	3.7	4.8	.1	6.2	5.1	4.1	7.0
Paraguay	.7	2.9	3.6	1.4	2.5	3.4	6.8	8.9	10.9	10.1
Peru	17.6	24.4	35.9	33.9	37.2	28.5	78.3	69.9	75.3	77.1
Uruguay	5.6	7.7	3.6	1.9	2.2	13.5	15.8	9.2	26.9	22.9
Venezuela	80.1	79.6	83.5	75.9	82.0	35.7	19.5	19.8	17.7	22.4
Falkland Is. (Br.)	0	0	0	4/	0	0	0	0	0	4/
French Guiana	.1	.1	.1	.1	.1	.4	.1	4/	.1	4/
Surinam (Neth.)	1.4	2.5	3.2	3.1	3.6	1.1	1.0	1.1	.5	.6
South America	214.0	295.7	375.0	268.9	333.0	1,181.7	1,003.9	983.2	952.0	1,000.3
Total Latin America	513.5	503.0	603.9	509.8	575.0	2,054.0	1,697.4	1,684.9	1,671.4	1,811.3
Total Western Hemisphere	854.8	1,032.3	1,219.0	1,129.5	1,201.1	2,257.5	1,877.4	1,860.7	1,905.6	2,051.5
Total World	3,934.6	5,363.5	6,347.0	6,228.6	6,884.6	3,963.8	3,896.8	4,082.4	4,087.5	4,491.7
Hemisphere as percentage of world total	22	19	19	18	17	57	48	46	47	46

1/ Preliminary. 2/ Includes export transshipments, mostly grains and oilseeds to Western Europe which began on a large scale in 1959 following completion of the St. Lawrence Seaway Project, estimated as follows in million dollars: 1960-64, $106.6; 1964, $159.8; 1965, $176.3; and 1966, $140.0. 3/ U.S. trade embargo went into effect in February 1962. Subsequent exports were relief and ransom shipments and imports were tobacco released from bonded warehouses. 4/ Less than $50,000.

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